



**Northern Mindanao**  
**Regional Development Plan**  
2017-2022



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## **Regional Development Plan 2017-2022**

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# Foreword




Earlier this year, we launched the Philippine Development Plan (PDP) 2017-2022 through the initiative of the National Economic and Development Authority (NEDA). The PDP serves as our medium-term blueprint towards attaining a better and more secure life for our people in the next 25 years.

To complement the PDP, we are now launching the Regional Development Plans (RDPs) 2017-2022. This will provide direction in policy formulation for the next six years as we steer public and private investments to the regions.

We intend to place regional development as the center of our socioeconomic development strategy. By creating more jobs, improving social services, encouraging innovation and connecting the countryside to growth centers, we will reduce poverty and accelerate development in rural areas.

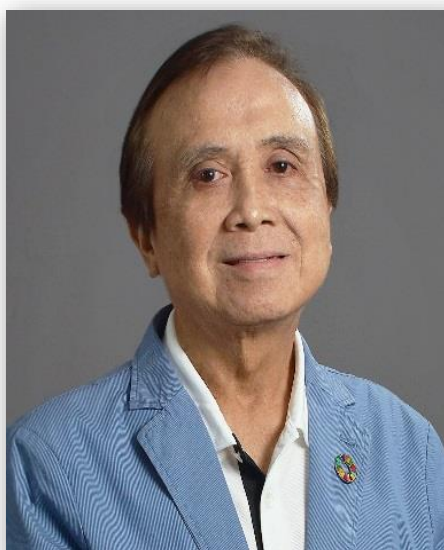
The RDPs will also prioritize accelerating infrastructure development, protecting our natural resources, addressing criminality and illegal drugs, and ensuring peace and security in the regions.

I commend the Regional Development Councils for aligning their respective regional plans to our PDP through fruitful collaboration with local government units and the private sector. I am confident that through the RDPs, we can realize our goal of laying a solid foundation for a stronger and more resilient nation for future generations.

  
**RODRIGO ROA DUTERTE**  
President  
Republic of the Philippines



# Message from the Socioeconomic Planning Secretary



With regional and local development being one of the main thrusts of President Rodrigo R. Duterte's socioeconomic development agenda, the Philippine Development Plan (PDP) 2017-2022, the first medium-term plan anchored on a long-term vision (*AmBisyon Natin 2040*), was specifically designed to cultivate growth and reduce inequality between the regions. This can be achieved by directing development to key areas throughout the country and connecting these growth centers to rural areas.

As such, the Regional Development Plans (RDPs), as accompanying documents to the PDP, will be an important tool in guiding both public and private investments that will catalyze growth in the regions. It will also serve as our blueprint in laying down the three main pillars of *Malasakit, Pagbabago, at Patuloy na Pag-unlad* that will help us build a secure, comfortable, and strongly rooted life for all Filipinos by 2040.

I would like to express my gratitude to the Regional Development Councils (RDCs) for their leadership in the crafting of the RDPs, and in coordinating various development efforts in the regions. Finally, we seek the support of our local government units, regional institutions, and private institutions to support the realization of our plans as we venture towards the creation of prosperous, peaceful and resilient communities.

A handwritten signature in black ink, appearing to read 'Ernesto M. Perna'.

**ERNESTO M. PERNIA**

Secretary of Socioeconomic Planning





## Message from the Chairperson of the Regional Development Council of Northern Mindanao (Region X)



The RDC strongly pushed for a highly participatory approach in the formulation of the Regional Development Plan (RDP) 2017-2022 to ensure that the plans and programs are truly reflective of the needs and aspirations of our people. For the first time in the region's long history of planning, the RDC hit the ground running with the conduct of eight provincial and city consultations. This was apart from the series of planning consultations and workshops conducted at the regional level involving the four sectoral committees of the RDC.


I am, therefore, honored that the region crafts this six-year development plan that will contribute in translating the President's 0 to 10 point Socioeconomic Agenda. The plan is likewise aligned with the *AmBisyon Natin 2040* which lays down a solid foundation for a more inclusive growth, a high trust society, and a globally competitive knowledge economy, through its emphasis on "*Malasakit at Pagbabago para sa Patuloy na Pag-unlad*".

I would like to exhort the region to take advantage of Mindanao's vantage point in history with a President coming from Mindanao. This is also the reason why

the RDC asserts its role in putting together this RDP. It is only in this planning exercise that the RDC can put forward all the commitment and support that the region wants from the national leadership.

Let us be inspired of the President's inaugural speech, "Love of country, subordination of personal interests to the common good, concern and care for the helpless and the impoverished – these are among the lost and faded values that we seek to recover and revitalize as we commence our journey towards a better Philippines" as we go about in our task in regional development. In his first State of the Nation Address, he also conveyed that "enduring peace can be attained only if we meet the fundamental needs of every man, woman and child." Let us join the President in his cause as we take upon ourselves the enormous challenge of making this RDP a vehicle to transform our region into a more prosperous and safe place to live in.

During my term as the RDC Chair, I want the ground running and I intend to do more and push for greater action in collaboration with the region's valued stakeholders. I believe that the RDC can enlist and mobilize the resources for us to accomplish and implement more responsive plans and investment programs. Truly, we can proudly say, this is our plan, and with the support of our President who has the heart for the poor, and even the poorest among the poor, I am certain that the programs and projects embodied in our Regional Development Plan will be achieved. Let us all contribute to realize the region's vision of development to be the Gateway and leading industrial core and trade center in Southern Philippines with dynamic men and women enjoying equal opportunities in sustainably harnessing its agricultural and natural resources in building a decent, harmonious and safe environment.

  
**GOVERNOR JOSE MARIA R. ZUBIRI, JR.**  
Chairperson, RDC-X  
Governor, Province of Bukidnon



# Foreword



The formulation of the Regional Development Plan (RDP) 2017-2022 is aligned with the Philippine Development Plan 2017-2022 framework which is anchored on the country's Long Term Vision (LTV) or the *AmBisyon Natin* 2040, the 2030 Sustainable Development Goals (SDGs), and the President's 0 to 10 point Socioeconomic Agenda. Executive Order No. 5 (s. 2016) adopted the 25-year vision of *AmBisyon Natin* 2040 for the Philippines, that *"By 2040, the Philippines shall be a prosperous, predominantly middle-class society where no one is poor. Our peoples will enjoy long and healthy lives, are smart and innovative, and will live in a high-trust society"*.

Region X has traversed the higher growth trajectory in the past six years (2010-2015) with industry and services as growth drivers. Value-adding activities in the agriculture sector have contributed to the growth in the industry sector. The greater challenge is to make this growth inclusive and sustainable. Poverty still persists with three out of ten families in the region still considered poor. Cognizant to this, the RDP outlines major strategic thrusts and priorities that shall contribute to the country's long term vision where everyone benefits from the fruits of development for the current and the future generations.

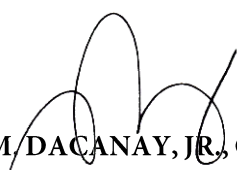
The RDC is confident in coordinating the formulation of this plan since thorough and

expanded consultations at the local level were conducted to ensure a truly responsive and strategic planning exercise. With the region's resource-rich endowments, dynamic human capital and enabling governance, let us all work together to translate this plan into concrete deliverables.

The RDP has 20 chapters which likewise capture the strategic interventions coined as GATEWAY supportive of the present administration's three pillars of development of reducing inequality (*Pagbabago*), increasing potential growth (*Patuloy na Pag-unlad*), and enhancing the social fabric (*Malasakit*). The foundation for inclusive and sustainable development such as peace and security, strategic infrastructure, resiliency build-up, and ecological integrity are likewise articulated in the plan.

I convey my sincere appreciation and gratitude for the RDC-X's leadership and commitment, the significant contributions of the local government units, the regional line agencies, the academe, the private sector, and the NGOs and CSOs, the NEDA Central Office for their guidance, and to the RDC-X Secretariat in producing this plan.

Our support in the implementation and monitoring of this plan signify our commitment to achieve the region's development goals, as well as, our collective response to the President's top agenda of *"Malasakit at Pagbabago tungo sa Kaunlaran at Katiwasayan."*

  
**LEON M. DACANAY, JR., CESO III**  
Vice-Chairperson, RDC-X  
Regional Director, NEDA-X





Republic of the Philippines  
REGIONAL DEVELOPMENT COUNCIL-NORTHERN MINDANAO

**REGIONAL DEVELOPMENT COUNCIL-X**

**Resolution No. 31 (s. 2016)**

**APPROVING THE REGIONAL DEVELOPMENT PLAN (RDP) 2017-2022  
OF NORTHERN MINDANAO (REGION- X)**

**WHEREAS**, the President issued Executive Order No. 5 (s. 2016) which adopted the *AmBisyon Natin 2040* as the long-term vision for the country;

**WHEREAS**, as a forward-looking approach in development planning that goes beyond a single political administration, Section 3 of the said EO, the four Philippine Development Plans (PDPs) to be crafted and implemented until 2040 shall be anchored on the country's Long Term Vision (LTV);

**WHEREAS**, subsequently, the President issued Memorandum Circular No. 12, dated 24 October 2016, directing the NEDA Secretariat to coordinate the formulation of the country's national and regional development plans and the accompanying investment programs, and monitor their implementation;

**WHEREAS**, the PDP 2017-2022 shall take into account the 2030 Sustainable Development Agenda (SDA) and the President's 0+10 Point Socio Economic Agenda to ensure coherent, sustainable and focused strategies;

**WHEREAS**, the PDP likewise sets the foundation of the overall vision and shall aspire to contribute to the attainment of a "Matatag, Maginhawa, at Panatag na Buhay para sa Lahat";

**WHEREAS**, the PDP is the first medium-term plan to implement the *Ambisyon Natin 2040* and will lay down a solid foundation for more inclusive growth, a high trust society and a globally competitive knowledge economy, through its emphasis on "Malasakit at Pagbabago tungo sa Patuloy na Pag-unlad";

**WHEREAS**, as indicated in the PDP framework, the overall strategies will fall into three pillars: (1) to enhance the social fabric "Malasakit", (2) to reduce inequality "Pagbabago",

and (3) to increase potential growth of the economy “Patuloy na Pag-Unlad” supported by a strong foundation in national security, infrastructure development and ecological integrity;

**WHEREAS**, Executive Order 325 s. 1996 (Section 4), mandates the Regional Development Councils (RDCs), to “coordinate the preparation, implementation, monitoring and evaluation of short and long-term regional development plans and investment programs, regional physical framework plan and special development plans, including the formulation of policy recommendations”;

**WHEREAS**, to ensure that all sectors are represented in the plan formulation process, the RDC sectoral/special committees serve as the planning committees, while other major stakeholders which are not members are likewise invited to participate and provide inputs in the plan preparation;

**WHEREAS**, the formulation of the Regional Development Plan (RDP) 2017-2022 is guided by the country’s overall vision as adopted under EO 5:

“By 2040, the Philippines shall be a prosperous, predominantly middle-class society where no one is poor; our peoples shall live long and healthy lives, be smart and innovative, and shall live in a high-trust society.”

**WHEREAS**, the new leadership in the RDC espouses a highly participative and consultative process which highlights the local aspects of development through the conduct of a series of eight provincial/city consultations in the formulation of the RDP 2017-2022;

**WHEREAS**, apart from the area and local consultations, series of planning activities were conducted, as follows: a) 2016 second quarter RDC-X Sectoral Committee meetings to discuss the assessment of the RDP 2011-2016; b) Regional Development Planning Forum on September 15, 2016 for the presentation and adoption of the RDP Guidelines and validation of the assessment and challenges of the previous plan; c) Expanded RDC-X Joint RDC-X Sectoral Committees Consultation/Validation on November 28 and December 5, 2016 participated in by more than 120 stakeholders from the public and private sectors;

**WHEREAS**, to ensure consistency with the Philippine Development Plan (PDP), the region’s development plan framework basically adopts the national development framework;

**WHEREAS**, the country’s long term vision is well expressed in the region’s vision of development, “Northern Mindanao is envisioned to be the GATEWAY and leading industrial core and trade center in Southern Philippines with dynamic men and women enjoying equal opportunities in sustainably harnessing its agricultural and natural resources in building a decent, harmonious and safe environment”;

**WHEREAS**, the regional vision which is anchored on the region’s long-term plan, the Climate and Disaster-Risk Sensitive Regional Physical Framework Plan 2013-2040 (2015 Update) is presented and adopted in various local consultations and planning workshops conducted in the region;

**WHEREAS**, the Regional Development Plan 2017-2022 contains seven major parts and twenty (20) chapters as follows:

Part 1: Has four chapters that contain the Introduction, the Ambisyon 2040, the challenge of achieving the long term vision, poverty reduction, development and growth prospects, national and regional spatial strategy and the PDP/RDP Framework.
Part 2: Enhancing the social fabric (Malasakit): Has three chapters that contain the assessment, challenges, strategic framework and results matrix of the following: Citizen-centered, clean and efficient delivery of public goods and services, Swift and fair administration of justice and Promoting awareness of and valuing cultural diversity.
Part 3: Reducing inequality in economic development opportunities (Pagbabago): Has five chapters that contain the assessment, challenges, strategic framework and results matrix of the following: Expanding economic opportunities in Agriculture, Forestry and Fisheries (AFF); Expanding economic opportunities in Industry; Expanding economic opportunities in Services; Reducing inequality in opportunities for human development and Building resiliency of individuals and families.
Part 4: Increasing Potential Growth (“Patuloy na Pag-Unlad”): Has two chapters that contain the assessment, challenges, strategic framework and results matrix of the following: Maximize the demographic dividend and Promote technology and innovation.
Part 5: Enabling and Supportive Economic Environment (Note: discussions on the macro economy and national competition policy are included in Chapters 1-3; and appropriate chapters of the plan, respectively).
Part 6: Foundations for Inclusive and Sustainable Development: Has four chapters that contain the assessment, challenges, strategic framework and results matrix of the following: Peace and Development; Security and Public Order; Infrastructure development; and Maintain ecological integrity, clean and healthy environment
Part 7: Moving Forward: Has two chapters on Plan Implementation and Monitoring and Evaluation and Sustaining the momentum towards Ambisyon Natin 2040 through forward-looking infrastructure build up.


**THEREFORE BE IT RESOLVED, AS IT IS HEREBY RESOLVED**, on motion duly seconded, to approve the Northern Mindanao Regional Development Plan (RDP), 2017-2022 subject to the integration of additional comments and recommendations as needed;

**RESOLVED FURTHER**, that all development stakeholders from the government and private sectors and the civil society are enjoined to actively advocate, support, implement, monitor and provide the resources to realize the vision and goals of the plan.

**RESOLVED FINALLY**, that copies of this resolution and the RDP 2017-2022 be furnished to the Office of the President through the NEDA Central Office for support and funding.

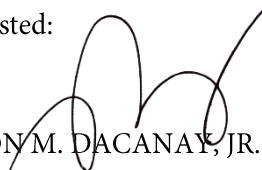
**Approved**, 15 December 2016  
109<sup>th</sup> RDC-X Full Council Meeting  
Mallberry Suite Business Hotel, LKK Center  
Cagayan de Oro City

Certified Correct:



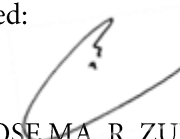
ARD MAE ESTER T. GUIAMADEL  
Secretary, RDC-X  
Assistant Regional Director, NEDA-X

Attested:



LEON M. DACANAY, JR., CESO III  
Vice-Chairperson, RDC-X  
Regional Director, NEDA-X

Approved:



GOV. JOSE MA. R. ZUBIRI, JR.  
Chairperson, RDC-X  
Governor, Province of Bukidnon  
(Presiding Officer)



PART I

# INTRODUCTION





01

The Long View



## Chapter 1

# The Long View

## High and sustained growth

The Philippine economy performed well in recent years with 17 years of uninterrupted growth since 1998. The country was also among the top performers in the Asian region despite dismal global growth in 2008-2015.<sup>1</sup>

Amidst persistent challenges, including threats from climate change, the platform of good governance, prudent macroeconomic policies, and efforts of the private and public sectors have resulted to a high and sustained growth over the period 2010-2015 averaging 6.2 percent. This growth was supported by a regime of low and stable inflation and interest rates, a sustainable fiscal and external position, and a healthy international credit position.

## Unfinished business, profound challenges

Despite the improvement in the economy, it is acknowledged that there is unfinished business specifically in making growth matter to all Filipinos. Public sentiments generally point to criticisms pertaining to ‘inclusivity’ of growth. Poverty statistics reveal though that the country’s poverty incidence among population fell to 21.6 percent in 2015 from 25.2 percent in 2012 (Annex A).

The poverty incidence is within the government’s reset target of 20-23 percent for 2015, but considerably higher than the 17.2 percent committed under the Millennium Development Goals.<sup>2</sup> By contrast, our neighbors in the region have met poverty goals many years earlier<sup>3</sup> (Annex B).

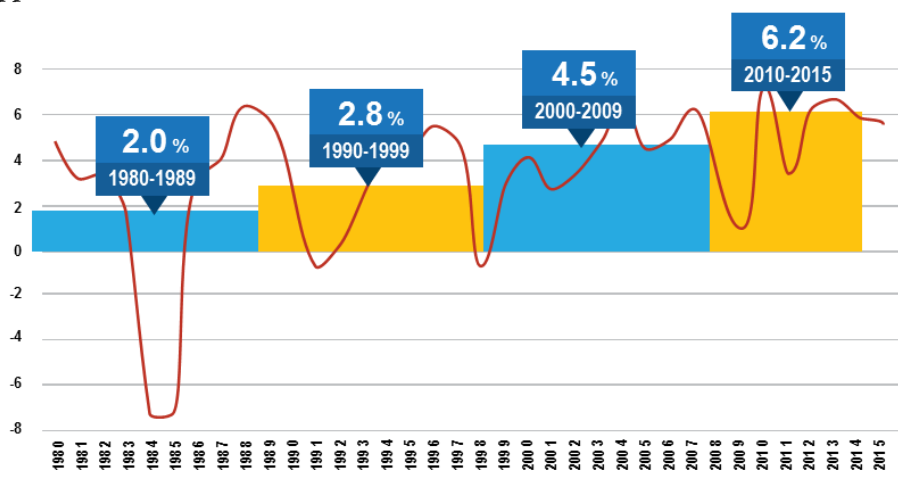
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<sup>1</sup> International Monetary Fund (IMF). October 2016. *World Economic Outlook Database*. In 2008-2015, Philippine output growth averaged 5.3 percent, higher than global growth (3.2%) and ASEAN-5’s growth (5.1%).

<sup>2</sup> Annex A Source: Philippine Statistics Authority (PSA)

<sup>3</sup> Annex B Source: The ASEAN Secretariat, *Report of the ASEAN Regional Assessment of MDG Achievement and Post-2015 Development Priorities*

**Figure 1.1 Gross Domestic Product (GDP) growth rates (In percent), Philippines, 1980-2015**



Source of basic data: PSA

## Shared long-term goals

Expectations are high for the new administration to sustain the Philippine economy's upward growth path and making this growth inclusive. While it fully aims to meet these expectations, it also recognizes that inclusive growth cannot be fully achieved in six years without support from the people.

Experience of other economies reveal that it takes decades to considerably reduce poverty and bring the country to a level of development where growth benefits are fairly and broadly shared.

Similarly, Filipinos should have a stake in this long-term effort not only to ensure that

they contribute to the country's growth, but more importantly benefit from it.

## AmBisyon Natin 2040

On October 11, 2016, the Philippine Government through Executive Order No. 5 (EO 5) adopted the 25-year long-term vision for the Philippines or *AmBisyon Natin 2040* such that "By 2040, the Philippines shall be a prosperous, predominantly middle-class society where no one is poor; our peoples shall live long and healthy lives, be smart and innovative, and shall live in a high-trust society." The government also aims to triple real per capita incomes and eradicate hunger and poverty by 2040, if not sooner.<sup>4</sup>

<sup>4</sup> NEDA embarked on a long-term vision project now called *AmBisyon Natin 2040*. And to ensure that *AmBisyon Natin 2040* truly reflects the Filipinos' sentiments, methodical public consultations were undertaken through nationwide focus group discussions, the results of which became the basis for designing a nationally representative survey among 10,000 fifteen-to fifty-year-old Filipinos. These public consultations aimed to draw out what the people want their lives and the Philippines to be in 2040.

*AmBisyon Natin 2040* represents the collective long-term vision and aspirations of the Filipino people for themselves and for the country in the next 25 years. It describes the kind of life that people want to live, and how the country will be by 2040. As such, it is an anchor for development planning across at least four administrations.

## *From vision to action*

The objective is to translate the *AmBisyon Natin 2040* into the next four medium-term development plans, while taking into account international commitments like the Sustainable Development Goals (SDGs). The first medium-term shall cover the plan period 2017-2022; the second medium-term plan, 2023-2028; the third medium-term plan, 2029-2034; and the fourth medium-term plan, 2035-2040. The country shall sustain the momentum under changing conditions, requiring adjustments and flexibility in its strategies. The plans shall build on each other so that by 2040, the Philippines shall be:

**A prosperous, predominantly middle-class society where no one is poor.** To achieve this, the first plan starts by reducing poverty and inequality in the first six years, the second plan on eradicating extreme poverty by 2028, the third plan on expanding the middle-class by 2034, and the fourth plan on eradicating poverty by 2040.

**A healthy and resilient society.** The first plan shall focus on expanding health care and implementing the reproductive health law, the second plan on reducing morbidity and expanding universal health care, the third and fourth plans on promoting a

healthy lifestyle, and encouraging wealth build up and diversification.

**A smart and innovative society.** To achieve this, the first plan shall continue education reforms, the second plan on increasing learning opportunities, the third plan on improving the intellectual property rights (IPR) framework and encouraging science, technology and innovation (STI), and the fourth plan on encouraging research and development, creativity, and innovation.

**A high trust society.** The first plan shall focus on building trust in government, the second plan on promoting harmony in diversity, the third plan on cultivating national pride, and the fourth plan on building pride in our national identity.

## The planning process

Following EO 5, Memorandum Circular No. 12 was issued on October 24, 2016 directing the formulation of the Philippine Development Plan (PDP) and the Public Investment Program (PIP) at the national level, as well as, the Regional Development Plans (RDPs) and the Regional Development Investment Programs (RDIPs) for the period 2017-2022. It also directs all government departments, offices and instrumentalities to formulate their respective medium-term plans and action programs consistent with national goals, and in line with *AmBisyon Natin 2040*, the 2030 (SDGs), and the 0 to 10-point Socioeconomic Agenda of the current administration.

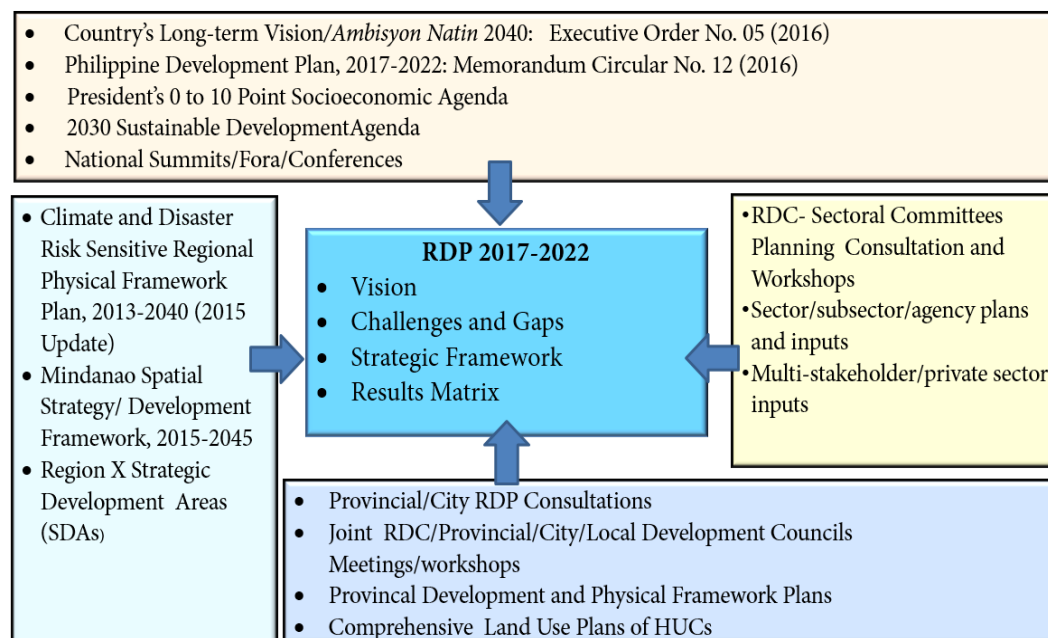
For Region X, the RDP 2017-2022 formulation involved a multi-stakeholder participation at the regional and local levels to ensure that the process is consultative and participative. This was done under the leadership of the Regional Development Council (RDC-X) through planning consultations and workshops at the levels of the RDC-X Full Council, its sector committees, as well as, with the local development councils.

To ensure vertical and horizontal consistency with other plans, the RDP 2017-2022 is also anchored on various

spatial, strategic, development, and sector plans at the national, Mindanao-wide, regional and local levels.<sup>5</sup>

The RDP 2017-2022 contains the vision for the region, an assessment of the previous plan for the period 2010-2015, which includes development challenges and gaps, the strategic framework which indicates the expected outcomes and corresponding strategies that the region shall pursue and the results matrix which contains the specific indicators and targets that the region aims to accomplish annually until the end-of-plan period.

**Figure 1.2 The RDP 2017-2022 planning process**



<sup>5</sup> Climate and Disaster Risk Sensitive Regional Physical Framework Plan, 2013-2040 (2015 Update), Mindanao Spatial Strategy/Development Framework, 2015-2045, Region X Strategic Development Areas (SDAs), Provincial Development and Physical Framework Plans (PDPFPs), and Comprehensive Land Use Plans (CLUPs) of Highly Urbanized Cities (HUCs) in the region.



## The first milestones: RDP 2017-2022 desired outcomes

The objective of the first medium-term PDP is to lay the foundations for an inclusive growth, and a high trust and resilient society, which is a basic requirement for the attainment of the *AmBisyon Natin* 2040. The government sets a target of 7-8 percent economic growth each year until 2022. Poverty rate shall be reduced by 1.25-1.50 percentage points every year to 16-17 percent in 2022.

The first PDP also targets fairer distribution of growth dividends, improvement in health indicators, full implementation of the Responsible Parenthood and Reproductive Health Law, reforms in basic and higher education, and promotion of technology adoption. To become a high-trust society, the plan shall focus on building trust in government by enforcing peace and order, resuming peace talks, and promoting the Philippine culture and values.

For Northern Mindanao, the economy is expected to grow on average by 5.8-7.6 percent annually over the plan period. As it asserts its role as the gateway and major industrial core and trade center in Southern Philippines, industry and services shall stay as growth drivers while the agriculture sector shall remain as the backbone of the region's economic activities.

The region also aims to reduce poverty incidence among families to 22-24 percent by 2022. The bolder objective is to significantly improve poverty situation in agriculture, geographically isolated and conflict-affected areas where many of the poor are found.<sup>6</sup> Achieving this objective requires the region to leverage on employment and aim at reducing underemployment rate to below 20 percent. Aside from increasing access to jobs, the quality of jobs has to be adequate to reduce income poverty particularly among farmers and unskilled workers.

To ease underemployment, skills of the workforce as indicated by educational attainment should advance, resiliency of farmers to mitigate the effects of climate change should improve, and working arrangements have to be formal, permanent and high-paid.

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<sup>6</sup> Annex C



02

Global and  
Regional Trends  
and Prospects



## Chapter 2

# Global and Regional Trends and Prospects

Northern Mindanao is the major transshipment hub and industrial center in the South due to its strategic location. It is being developed as the GATEWAY to the island of Mindanao (Map 2.1) that is internationally competitive, socially cohesive, environmentally sustainable and economic growth that is inclusive. Thus, prospects for development shall be focused on the policy and actions captured in the following strategic themes:

## Good Governance and Peace

The conditions for economic growth and investments are directly related to the capacity and credibility of governance institutions. Efficient, accessible and responsive public institutions shall continue to build a sustainable platform for public confidence, community participation and create effective vehicle for public and private partnerships.

Creating a safe and peaceful environment likewise needs priority action. While the region is relatively the safest and peaceful region in Mindanao, there are isolated cases of peace concerns that may hinder investments and economic growth. For this, the region shall strengthen its local peace and order councils and peace-keeping institutions. Preventive measures especially in key cities and centers shall be instituted like a surveillance system, and a community intelligence and feedback system. Meanwhile, mainstreaming of disaster risk reduction in all levels of

governance shall be pushed to ensure disaster-resilient communities.

## Access, Logistics and Other Infrastructure Services

As the backbone of the region's development, adequate and efficient logistics system, and infrastructure support and services are crucial in enhancing access and capacity for the movement of people, goods, services and information. Private sector engagement, as well as public and private partnership shall be encouraged to undertake the needed wide-area basic infrastructure and facilities.

As the gateway in the South, development and continuing improvement of logistics system and infrastructure via land, sea and air shall be pursued to link the region to the rest of the Mindanao regions, as well as to Visayas and Luzon as major markets of its products. With its large agriculture-base,

there is a need to establish an efficient food logistics system to strengthen exports, as well as hasten distribution of food products to domestic markets outside the region. Likewise, local roads and transport networks linking production areas into processing and market centers and urban settlements shall be prioritized.

In addition to transport, physical networks of infrastructure such as water and irrigation systems, waste disposal system, energy, ICT and other support facilities shall be upgraded and well-integrated to drive dynamic and sustainable development.

## Trade, Industry and Tourism

The challenge of the region is to sustain the growth of the large industries and entice foreign and more importantly, domestic investors to locate in the region. The need to increase productivity especially on agricultural production, processing and value-adding cannot be undermined if the region shall realize its full wealth potentials and disperse development in resource-rich yet poverty-stricken areas. The consolidation of large program of crops, livestock and/or fishery and forestry production shall provide stable supply of inputs for agribusiness centers to be established in strategic locations of the region.

The region shall strengthen its ties with its major trading partners such as Japan, US, China, Europe, among others. Likewise, it shall create and increase its market share in the Brunei-Indonesia-Malaysia-

Philippines East ASEAN Growth Area (BIMP-EAGA), other Asian countries, and Pacific island economies including the Micronesia chain of nations to hasten socio-economic growth and establish cross-border trade.

Sufficient support shall be provided for the development and growth of MSMEs, which comprised the bulk of industrial activities in the region. This will propel wealth creation in poorer areas as more MSMEs mean more jobs, more productivity and more money circulating in the locality.

Finally, the region shall push for the development of more suitable industries based on its comparative advantages. This means broadly increasing agricultural production and intensifying the processing/value adding of raw products, as well as support for emerging non-agri-based or non-traditional industries to gradually transform the economy into a large-industrial base.

The region has a great potential of becoming one of the major tourism destinations of the country. The potential tourism areas shall be harnessed and utilized by attracting more investors in tourism. An aggressive promotion of the region in the domestic and global markets, giving emphasis to the unique activities of the region's existing and emerging eco-cultural tourism destinations and packages, shall be pursued with more vigor through collaborative efforts of the private and government, particularly the LGUs. Efforts shall also be done to get more cooperation from the indigenous peoples in eco-tourism activities, and in highlighting their indigenous and cultural practices.

Provision of infrastructure utilities and other support facilities is vital in providing better access in going from one eco-tourism destination to the other, and in supplying varied recreational and adventure activities. Moreover, LGUs shall be aggressive towards maintaining peace and order to attract and ensure safety of tourists in the region.

## Environment and Sustainable Development

Fostering proper environmental management reflects the region's respect to nature in order not to compromise the needs of future generations. The sustainable use of resources and infrastructure determines long-term development capacity, the environment and the region's economy as a whole.

The region's LGUs share common development constraints brought about by industrialization and urbanization. The depletion of resources and degradation of the physical character of the urban, coastal/marine and freshwater, upland/forest, and lowland/agricultural ecosystems require interventions that shall mitigate the environmental stresses these ecosystems undergo.

The urban ecosystem suffers from the deterioration of ambient air quality due to vehicular and industrial emissions; improper solid waste disposal and insufficiency of sanitary landfill sites; traffic congestion in major thoroughfares; rapid

urbanization and in-migration and emergence of blighted areas. In response to these constraints, the following interventions shall be pursued: urban greening through reforestation and afforestation; establishment of landfill sites; promote adoption of clean development mechanism approach among industries; promote use of urban river system as alternative transport routes; and expansion of telemetry system services beyond the existing coverage of the Metro Cagayan de Oro Airshed.

The coastal/marine and freshwater ecosystem suffers from natural and unregulated human economic activities. Scouring and erosion along coastal areas threaten human lives and marine resources. Improper discharges of effluents and untreated domestic and industrial wastewater and agricultural chemical runoffs also threaten freshwater ecosystem. To mitigate the situation, more marine protected areas (MPAs) and protected landscapes and seascapes shall be established. Coastal law enforcement and incentives mechanism for good governance shall be strengthened. Mangrove forests in the bays of Iligan, Macajalar, Panguil, and part of Murciellagos shall be maintained. The imposition of resource use fees shall be explored.

The encroachment to forest areas, soil erosion and siltation in buffer zones, settlements in protected areas, and massive conversion of forestlands into agricultural purpose are among the major issues that confront the upland/forest ecosystem. In response, the establishment of watershed forest reserves shall be pursued along with reforestation activities. The Protected Area

Management Boards (PAMBs) authority on forest patrolling shall also be strengthened. Agricultural run-off from heavy use of synthetic chemicals in large-scale farming and industrial activities affects the integrity of the lowland/agricultural ecosystem. Proposed interventions include strengthening the institutionalization of hazardous waste management (RA 6969 otherwise known as Act to Control Toxic Substances and Hazardous and Nuclear Wastes) and incentive mechanisms for good practices in agriculture, industry, and manufacturing.

Exposure to natural and geological hazards especially among residents in coastal areas, riversides, and those proximate to volcanic areas shall be mitigated through the integration of disaster risk management and climate change adaptation in development plan formulation/updating, installation of early warning system for volcanic and tidal actions, and construction of seawalls and river embankments.

## Well-being and Improved Welfare

Poverty is manifested with limited access to comprehensive and integrated basic social services including health, housing and social protection. The vulnerable groups and those living in poverty are continuously threatened and marginalized by social, economic and environmental pressures and natural disasters, as well as economic shocks. Greater access to improved social services is crucial in improving the quality of life of the people.

Health facilities shall be rationalized and access and utilization of basic and health care services shall be improved giving priority to the poor and vulnerable groups. The local governments shall increase budget for basic social services to enhance access and quality.

Unmet demand for decent and socialized housing shall be addressed through decentralization and localization of shelter and urban development functions and responsibilities. The capacities of the LGUs in town and urban planning, estate management, land use and housing development shall be developed. The housing sector shall be more market-driven, private sector- and LGU-led.

Social protection programs shall be in place as an essential poverty reduction strategy for addressing increasing vulnerability. The provision of livelihood and employment opportunities (capital and credit/microfinance, production, technology, markets and basic infrastructure for poor communities and job facilitation/placement) shall be pursued. The proper identification of beneficiaries for social protection programs shall ensure economic returns of limited resources and greater impact of service delivery. Thus, the institutionalization of poverty targeting tools shall be institutionalized.

## Agriculture, Fishery and Forestry

Food security level is a primordial concern in the region particularly with the declining levels of rice production and increasing



levels of prices. Therefore, the following are key action areas: 1) improve productivity of rice, corn and other food crops; 2) promote diversification in resource-poor; lowland and upland ecosystems without access to irrigation; 3) promote livestock enterprise development; and 4) foster the recovery and eventual growth of the fisheries sector through stratified targeting. Corollary to these is the provision of direct investments in support of the following: protection and development of watersheds; proper management of agricultural land and water resources; establishments and rehabilitation of irrigation systems and FMRs; marginalized sectors preferential access to productive assets; and provision of other essential measures and support services.

Farmers need to be assisted in improving their productivity through access to cost-efficient and appropriate technologies, getting up-to-date market information, and access to credit facilities and more markets for commodities produced. Production-marketing linkage shall be strengthened through establishment of more agribusiness centers, trading posts, and provision of support infrastructure such as paved FMRs and agribusiness logistics systems (including cold storage/chain facilities). Meanwhile, there is a need to establish a mechanism that shall facilitate the transformation of farmlands into agribusiness enterprises with the collaborative efforts of the government, private investors and crop associations.

Most farmers do not have the capacity to engage in commercial production. Thus, there is need to adopt integrated farming which includes multi-cropping to ensure

availability of other sources of income in case of failure of one crop. The scarcity of resources among the subsistence farmers occupying upland areas and the inaccessibility of their locations are constraints to intensive crop production. Natural or nature farming shall be adopted in these areas.

The region is one of the biggest suppliers of hogs and cattle in the country. Restrictions in transporting livestock due to environmental and health sanitation, and proliferation of hot meat are the growing issues in the region. These shall be addressed through establishment of additional slaughterhouses in strategic areas.

Aquaculture production is gaining momentum with the implementation of major coastal and inland fisheries management projects in the region. Production and processing of bangus and seaweeds, which are export potentials are among the One-Village, One-Fishery Product program engaged by women organizations. With the declining municipal fish catch due to destruction of coral reefs and mangroves, overfishing and improper disposal of solid waste, the campaign against destructive fishing methods shall be intensified along with monitoring, control and surveillance activities, and strict enforcement of RA 9003 or the Ecological Solid Waste Management Act of 2000.

The adoption of the Metropolitan Food and Agri-Based Products Cluster (MFAPC) approach shall unleash the region's competitive strengths in terms of rich natural and agricultural resources and

potentials for agri-business. These endowments shall be harnessed through the opening of global market opportunities. First, its climate is conducive for a year-round crop production. Second, the region is a major source of many agri-based products, which have established production and marketing tie-ups with large local and foreign agri-business corporations. The well-grounded experience of these firms in the global marketing of agricultural products is manifested in the sustained international market shares particularly pineapple, sugarcane, banana, coconut, mango, and emerging potentials along fishery products.

## Youth Empowerment and Education

The levels and trends of performance indicators across all education sub-sectors point to the persistence of issues pertaining to access, inequity, and quality. As education is key to empowering the children and the youth to take active part in the development process and to benefit from it, addressing these issues is an imperative.

For basic education, the K to 12 program implementation shall be intensified for the students to level off with the ASEAN and the rest of the world. The foremost objective is the delivery of quality basic education to as wide a coverage as possible. Particular focus will be given to underdeveloped and underserved areas, as well as to areas where the problems of shortages in physical facilities, teachers, and instructional materials are most evident.

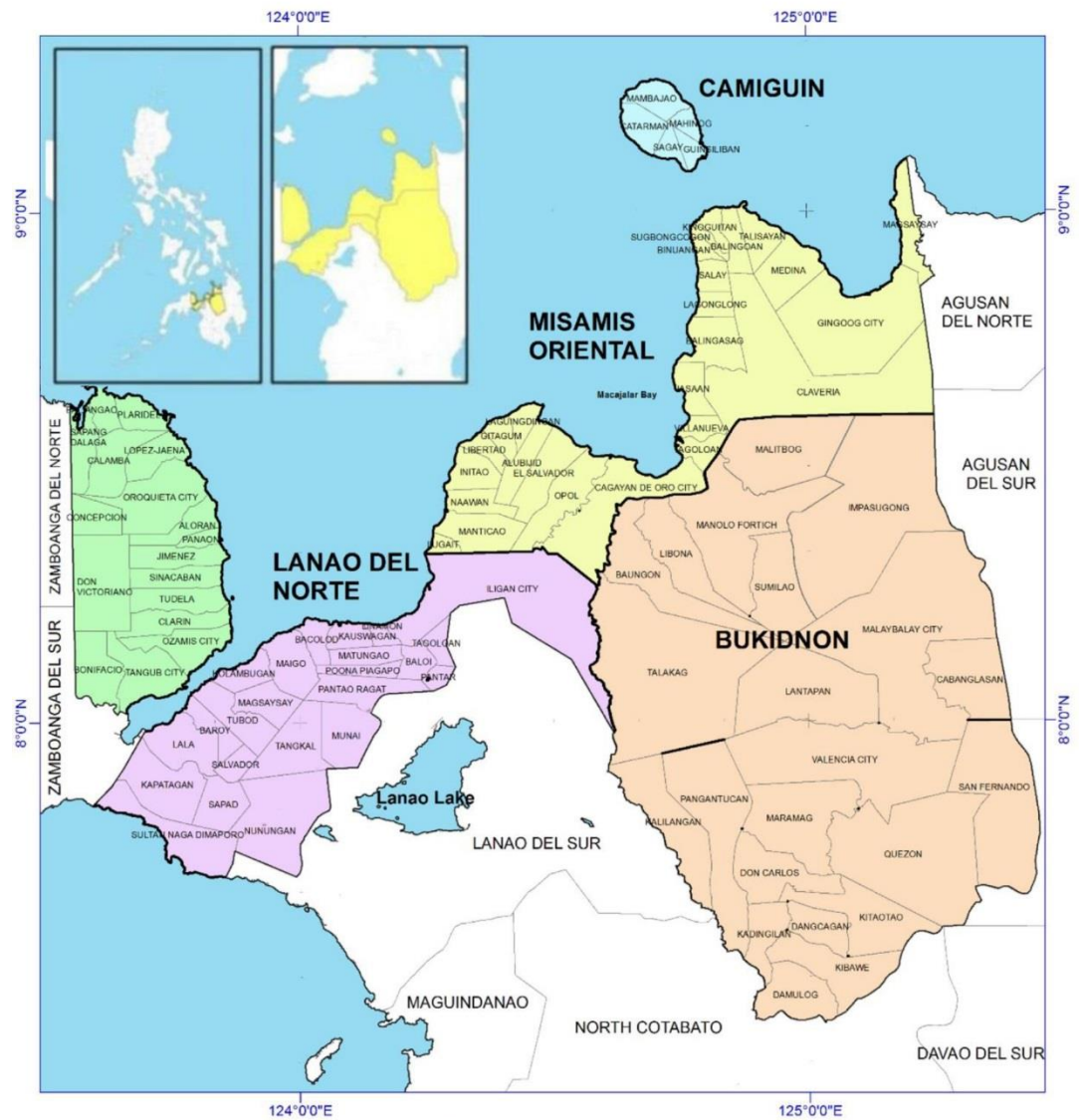
The higher education and tech-voc sub-sectors shall give focused-attention in raising the region's human capital through increased investments in both formal and non-formal education and skills training. Access to these educational services among the poor will be enhanced to ensure greater employability in the region's growing industries, and better ability to earn wages beyond subsistence levels.

The education sector shall capitalize on the advantages offered by ICT. Given that the business process outsourcing industries are among the region's projected key employment generators, it shall continue developing and improving its cyber services sector. Alongside there are efforts to strengthen nationalism, inculcate Filipino values, and heighten social responsibility among the children and the youth through culture, arts and media.

Cross cutting concerns such as gender and development, DRR/CCA, science, technology and innovation, volunteerism, human-rights, culture, peace and conflict-sensitivity, and migration and development shall be mainstreamed and integrated into the overall planning and development processes to contribute in laying a strong foundation for inclusive growth, a high-trust and resilient society, and a globally-competitive knowledge economy.

Apart from aligning the region's priorities to the national and Mindanao-wide development agenda, it shall likewise support the country's commitment to international agreements such as the 2030 Sustainable Development Agenda, the ASEAN Integration, among others.

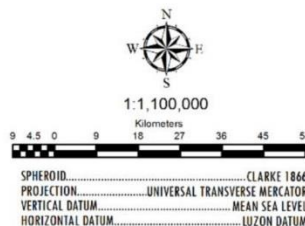
Map 2.1 Administrative Map, Region X



Map Sources:  
National Mapping and Resource  
Information Authority (NAMRIA)  
Department of Agriculture (DA)  
Department of Environment and  
Natural Resources (DENR)

#### NORTHERN MINDANAO (REGION X)

#### ADMINISTRATIVE DIVISION



#### Legend

- Bukidnon
- Camiguin
- Lanao del Norte
- Misamis Occidental
- Misamis Oriental
- Provincial Boundary
- Municipal Boundary



03

Overlay of Economic  
Growth, Demographic  
Trends, and Physical  
Characteristics



## Chapter 3

# Overlay of Economic Growth, Demographic Trends, and Physical Characteristics

## The National Spatial Strategy

The National Spatial Strategy (NSS)<sup>1</sup> is a “national dispersion through regional agglomeration”. This strategy aims to strengthen regional development by directing growth to the key centers throughout the country that serve as drivers of economic growth and where the benefits of agglomeration can have greater potentials to be realized. It likewise<sup>2</sup> defines the country’s desired spatial structure based

on trends in population, economic activities, and services. It recognizes the increasing role of cities as drivers and venues of growth and poverty reduction. It also promotes spatial integration through a well-connected network of settlements. The three major strategies and corresponding objectives are as follows:

VULNERABILITY REDUCTION	REGIONAL AGGLOMERATION	CONNECTIVITY
Protect environmentally constrained or hazard prone areas	Optimize benefits from agglomeration	Improve linkages among settlements and key production areas
Control settlements in hazard-prone areas	Increase viability of wider variety and higher levels of services in areas with bigger markets	Direct growth in areas with greatest economic potentials through efficient transportation networks
Ensure safety of the population and properties	Reduce encroachment into agricultural land and other environmentally sensitive or protected areas	Increase access to jobs and services by people in smaller settlements
Ensure access to areas affected by hazard events		Connect rural areas to growth centers

<sup>1</sup> Supplemental Guidelines on the Preparation of the Regional Development Plan (RDP) 2017-2022, as of November 2, 2016, NEDA-Regional Development Staff

<sup>2</sup> Based from the presentation prepared by the the NEDA-Regional Development Staff presented during the 25th National Convention of the Philippine Institute of Environmental Planners, 08 November 2016.

On the proposed network of settlements in the country, Metro Cagayan de Oro is identified as one of the four Metropolitan Centers, along with Metro Manila, Metro Cebu, and Metro Davao. Metropolitan centers serve as centers of commercial, financial and administrative activities and as primary international gateways. These centers have available high level services in

education, health, public transport, among others. Metro Cagayan de Oro serves as major gateway and transshipment hub in Northern Mindanao and remains as a key educational center in Mindanao. The highly urbanized city of Iligan is identified as one of the sub-regional centers in the country.

## The Regional Land Use and Physical Framework

The Climate and Disaster Risk-Sensitive Regional Physical Framework Plan 2013-2040 (2015 Update) of Region X (Northern Mindanao) aims to achieve the desired spatial arrangement of land and resources to:

- Effect the desired level and distribution of regional population towards relatively safer areas;
- Facilitate access to and improve availment of adequate and reliable services;
- Ensure optimum and sustained use of natural and man-made resources; and
- Guarantee the integrity of the physical environment, both as ends and means of Disaster Risk Reduction and Climate Change Adaptation (DRR/CCA), in order to obtain the maximum possible social and economic benefits.

Map 3.1 shows an indicative overall land use and physical framework to manage the settlements growth and production land use, and the proposed transport and infrastructure solutions, with sensitivity to the physical environment.

The desired spatial structure reflects centers and corridors adopting the smart growth<sup>3</sup> principle with efficient production and service delivery systems, sustainable management of resources, and reduction of disaster and climate risks.

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<sup>3</sup> This principle advocates compact, high density, pedestrian- and transit-oriented mixed use communities.



### 3.1 The Region's Proposed Land Use

The table below summarizes the existing and proposed land use of the region:

**Table 3.1 Summary of Existing and Proposed Land Use, Region X**

LAND USE	EXISTING (2013)	LAND AREA (HA)		% SHARE TO TOTAL
		PROPOSED (2040)	DEVIATION	
Built-Up/ Settlements	22,094	29,830	7,736	1.5
Production	921,248	1,153,102	231,854	57.1
Protection/ Forestland	1,075,274	835,684	(239,590)	41.4
<b>Total</b>	<b>2,018,616</b>	<b>2,018,616</b>	<b>-</b>	<b>100.0</b>

*Note: Proposed production land use includes marginal areas in non-NIPAS areas suitable for agro-forestry and production forest.*

*Source of 2013 data: DENR-X*

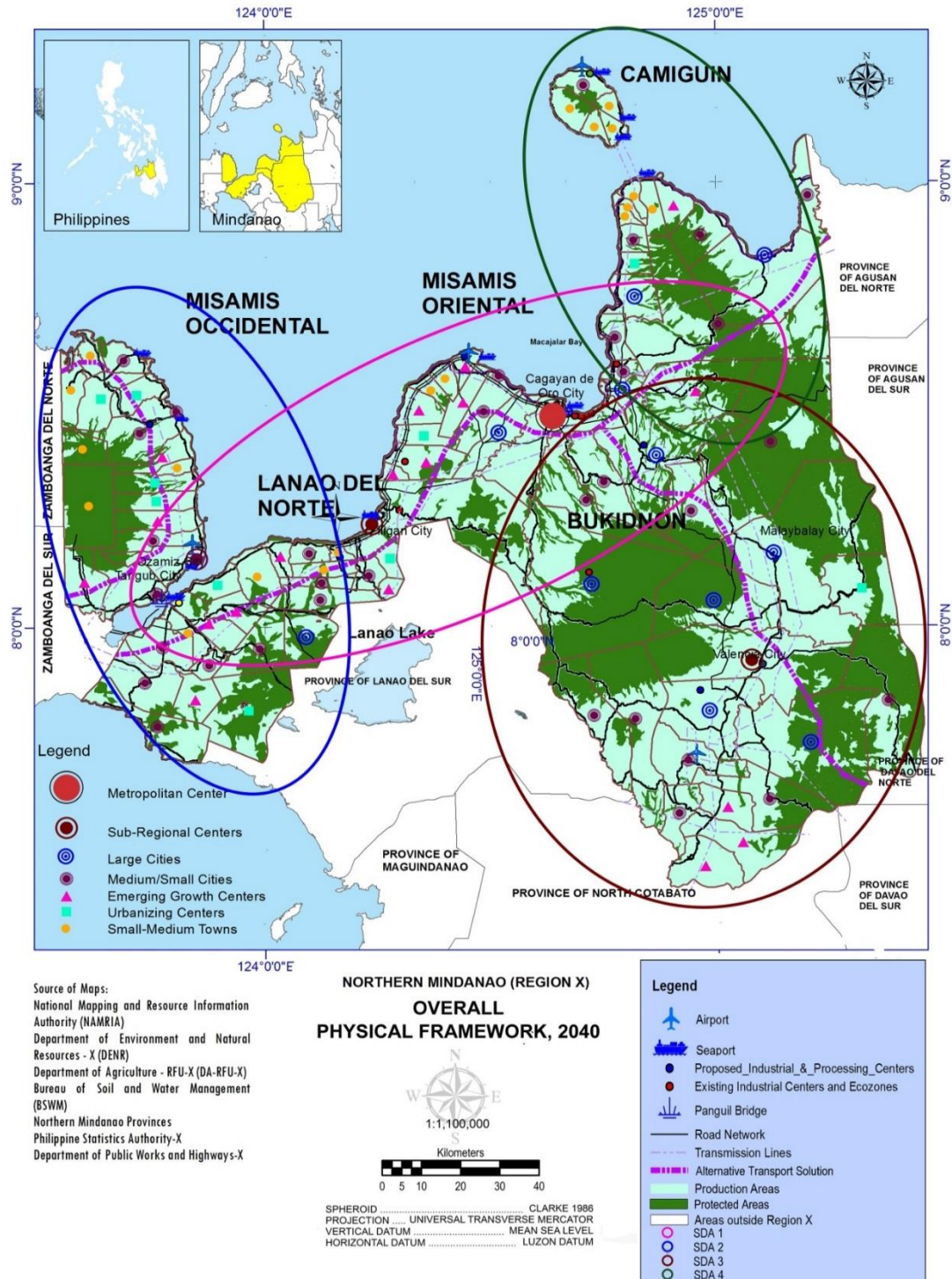
#### 3.1.1 Built-Up/Settlements

Areas devoted to settlements account for around 1.5 percent of the region's total land area. The population is expected to nearly double by 2044 with urbanization rate expected to move faster than in the past decades. In high dense and highly urbanized centers like Metro Cagayan de Oro, densification (vertical development) with safer and reasonable level of efficiency shall be encouraged to restrain urban sprawl. This allows efficient access to economic activities and services, reduces carbon footprint, preserves urban open space, and abates conversion of production and protection areas for settlement/urban uses. As metro limits become tighter, sub-

regional growth and urban centers which still have viable areas for settlement shall be further developed to accommodate growth. Urban development in small to medium cities and urbanizing centers near Metro Cagayan de Oro shall improve economic viability of infrastructure and service extensions.

Along vulnerability reduction, the region shall secure its settlements from environmentally constrained areas, including the risks from the potential effects of climate change.

Map 3.1 Overall Physical Framework, Region X, 2040



### 3.1.2 Production Land Use

Areas allocated for production land use account for about 57.1 percent of the region's total land area. Some marginal non-NIPAS areas suitable for agro-forestry shall be utilized for production.

The region shall increase agricultural and industrial productivity as a means to increase production levels to meet the growing needs of the population. It shall continue to nurture sustainable agriculture. The Priority Focus Areas (PFAs) of the sector include high value agricultural and industrial crops specifically banana, coffee, abaca, coconut and rubber, as well as, livestock and poultry.

The region shall develop new industrial centers and economic zones to support the establishment and operation of agri-based industries including manufacturing and emerging industries. More tourism development areas shall offer nature and adventure tourism services. Conservation of the region's biodiversity shall be strictly observed.

### 3.1.3 Protection Land Use

There are two categories under the protection land use, the NIPAS<sup>4</sup> and non-NIPAS<sup>5</sup> areas. The decrease in non-NIPAS

areas due to utilization to agro-forestry and production forest resulted to a decrease in protection land use and a corresponding increase in production land use. Areas devoted to protection land use comprised 41.4 percent of the region's total land area. However, the NIPAS areas shall increase due to additional proposed sites in the region. Areas with productive activities and settlements encroaching the existing and proposed NIPAS areas shall be reverted to protection areas.

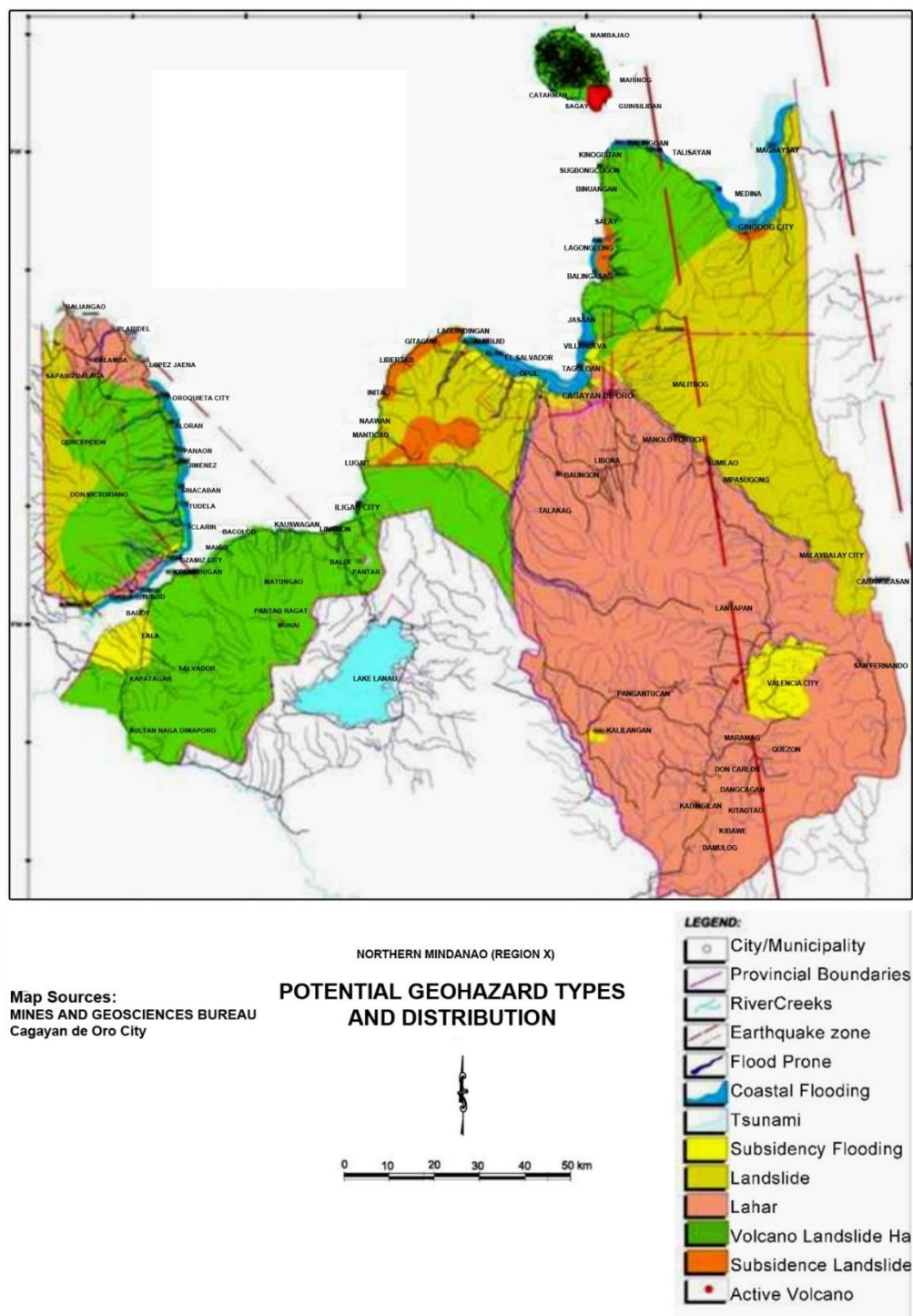
Given the national geographic context, Northern Mindanao is potentially at risk to hydrometeorologic and geologic hazards. The potential geohazard types and distribution map indicates the risk of the region to flooding, tsunami, landslides, and others (Map 3.2). Thus, environmentally constrained areas shall be properly demarcated and buffered; and an ecosystem-based approach in disaster mitigation and vulnerability reduction shall be implemented.

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<sup>4</sup> "National Integrated Protected Areas Systems (NIPAS)" is the classification and administration of all designated protected areas to maintain essential ecological processes and life-support systems, to preserve genetic diversity, to ensure sustainable use of resources found therein, and to maintain their natural conditions to the greatest extent possible (Republic Act No. 7586 "National Integrated Protected Areas system Act of 1992").

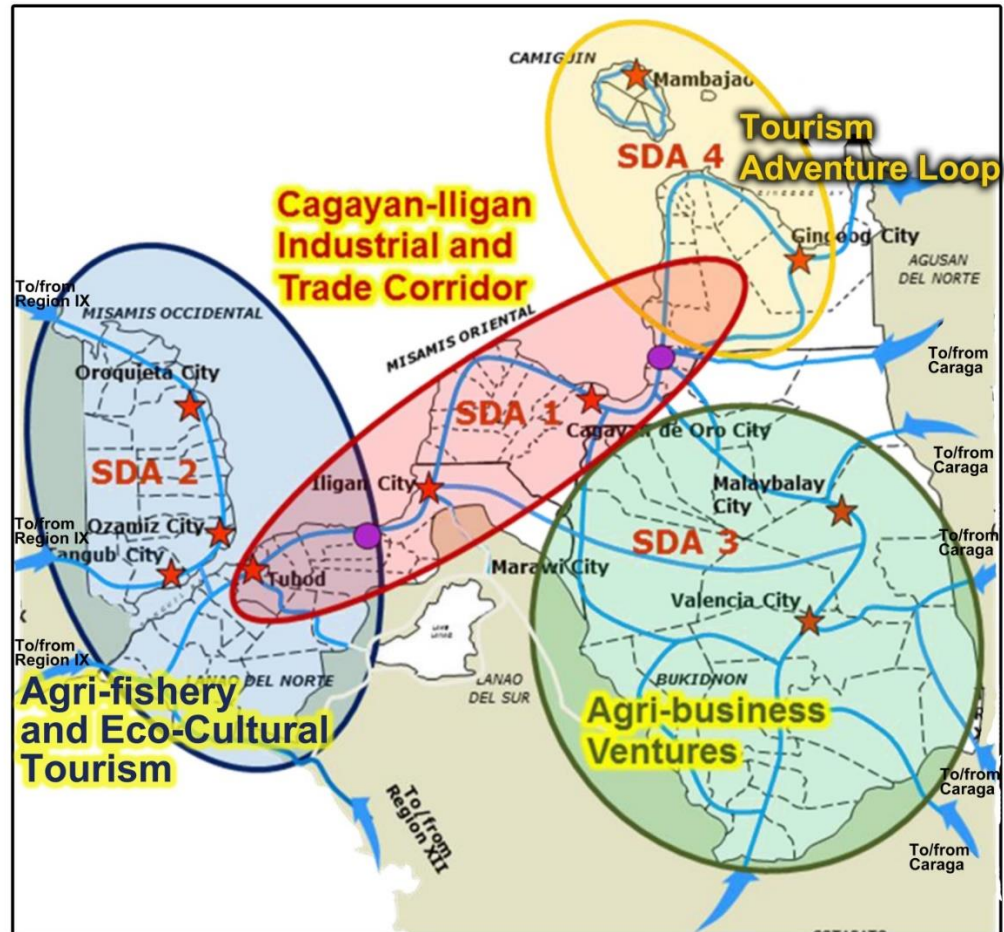
<sup>5</sup> Non-NIPAS are protected areas which are outside the NIPAS. These are reserved second growth forests 1,000-meter elevation or more than 50 per cent slope, mangroves, buffer strips, freshwater swamps and marshes, and lakes and other inland water bodies.

Map 3.2 Potential Geohazard Types and Distribution, Region X





Map 3.3 Region X Strategic Development Areas



Map Source:  
National Economic and  
Development Authority - X

#### NORTHERN MINDANAO (REGION X) STRATEGIC DEVELOPMENT AREAS

#### Legend

- Strategic Roads
- Inter Regional Linkages
- Inter Island Linkages
- Core Industrial Center
- ★ Key Growth Center (KGC)



1:1,100,000

Kilometers



SPHEROID ..... CLARKE 1866  
PROJECTION ..... UNIVERSAL TRANSVERSE MERCATOR  
VERTICAL DATUM ..... MEAN SEA LEVEL  
HORIZONTAL DATUM ..... LUZON DATUM

### 3.1.4 Infrastructure and Utilities Development

To enhance connectivity and mobility, the region shall improve access and efficiency of the infrastructure services by improving the linkages within and among the settlements and key production/economic areas. The region shall reduce vulnerability by developing and increasing the strategic redundant transportation routes in the region.

The planning and design of all infrastructure and utilities shall adhere to the building standards and related requirements such as compliance to zoning ordinances to ensure resiliency to disasters and climate change. The ecological function shall be a paramount consideration in the design and planning of infrastructure programs and projects.

## 3.2 The Region's Spatial Strategy

### Promoting the Strategic Development Areas

The spatial development of the region looks at the commonality of resources, potentials and concerns in order to effect more focused interventions. Thus, the strategic development areas (SDAs) will serve as areas of efficiency, innovation and creativity. The identification of the SDAs is anchored on the strategic goals of the National Spatial Strategy: concentration/regional agglomeration, connectivity and vulnerability reduction.<sup>6</sup>

Likewise the SDAs operationalizes the Mindanao Spatial Strategy/Development Framework (MSS/DF), 2015-2045 to ensure the full optimization of resources and potentials by physically and economically integrating the various areas in the region, as well their links to the other regions in Mindanao.

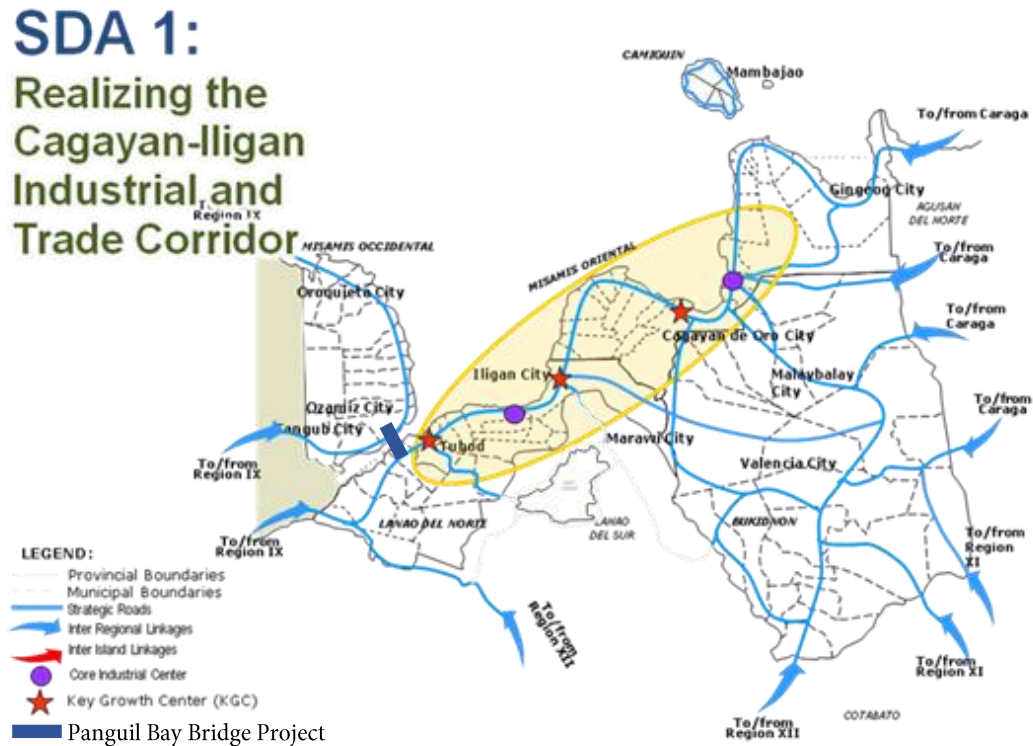
### **SDA 1: Realizing the Cagayan-Iligan Industrial and Trade Corridor**

This cluster includes most of Misamis Oriental, eastern part of Lanao del Norte and northern part of Bukidnon. The expanded Cagayan-Iligan Corridor, which shall be the center of industrial development, stands to fully realize its potentials of becoming a rapidly industrializing area with a large export base. Cagayan de Oro and Iligan, with their existing base of heavy and large industries, serve as twin development poles that will draw more expansions along manufacturing and processing activities. There are also several emerging growth centers in the corridor to disperse development and link resource-rich rural areas to growth and market centers. This spatial layout creates potential for intra-regional linkages and complementary growth in the whole island of Mindanao and shall be complemented with the ICT development for the industry and services sectors.

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<sup>6</sup> Dr. Arturo Corpuz. *National Spatial Strategy*. 2012.

Figure 3.1 Region X Strategic Development Area 1



SDA 1 builds on its strategic location as it is situated on the north central coast of Mindanao, with the safest and most direct sea linkages to the growth areas of Visayas and Luzon. The deep shorelines which allow large shipping vessels and with the available and continuing upgrading of shipping facilities and relatively protected and more direct sea lanes/routes, the Corridor offers a competitive edge in commodity transport and trading over other centers in Mindanao. The Mindanao Container Terminal in the PHIVIDEDEC industrial estate is seen to become the south-gate of the Philippines for international trade with the development of agri-business centers and improvement of

access or farm-to-market roads linking to the port.

The Laguindingan Airport, the newest and modern transportation hub in the SDA, is expected to trigger the birth of an Aerotropolis, a new urban form where the layout of infrastructure and economy is centered on the airport.

In terms of land transport, SDA 1 is directly linked by a good road network to the nearby resource-rich catchment areas of Misamis Oriental, Bukidnon, Lanao del Norte, Lanao del Sur, and the Caraga Region.

Cagayan de Oro City remains to be the primary growth center in the region with Iligan City as the sub-regional growth center. SDA 1 will be further delineated into key development zones (KDZs) to account for its spatial role and land uses including the utilization of its resource endowments and potentials. Certain number of sites have been identified in the KDZs which would play distinctive and complementary roles in order to benefit from large scale development.

Iligan City, the region's secondary growth center at the west end of the region's main growth corridor enjoys several locational advantages. Ecotourism shall be prioritized to maximize the potentials of its hilly terrain, numerous waterfalls, natural springs, and caves, as well as its accessibility through the main road network and the airport in Laguindingan. Further, road development towards Bukidnon will open an "agri-business corridor" between the city and southwestern part of Bukidnon. Development of this corridor will feed into the existing processing, manufacturing and services firms in the city's industrial zone.

Davao, Zamboanga and General Santos are also seen as agri-processing centers but their respective catchment areas are distinct, thus, do not compete for the same physical resources. These areas will remain to have direct trade links with the Brunei-Indonesia-Malaysia-Philippines East Asian Growth Area (BIMP-EAGA).

SDA 1 is further delineated into five key development zones (KDZs) which would play distinctive and complementary roles in order to benefit from large scale development. This spatial agenda addresses

the contrast between rapid development in the coastal and highly accessible areas and slower rates of development in rural areas. The plan identifies KDZs that have the capacity to support the stronger urban-rural structure needed to drive the development of the entire area. To promote an inclusive development and to complement development in the entire region, the spatial strategy builds on the strengths of the existing growth centers within a network of influence and catchment areas as follows:

#### *KDZ 1: Cagayan de Oro (CDO) Metropolitan Area*

The CDO metropolitan area hosts the regional capital and is the seat of regional administrative and higher level social services and urban amenities. The area includes CDO city and adjacent communities to the west as far as El Salvador City, and to the east to Tagoloan and Manolo Fortich. Population in the area is approximately half the population of SDA 1, and 20 percent of the region. Economic and social integration with the urban core, however, extends beyond these high growth and relatively high-density adjacent communities along the existing major transport route, to the upland periphery and further along the coast towards the Laguindingan area. The city's proximity to the region's industrial estate also creates heavy linkages with the adjacent communities.

#### *KDZ 2: Iligan Industrial Core*

The region's secondary growth center at the west end of the region's main growth corridor enjoys several locational

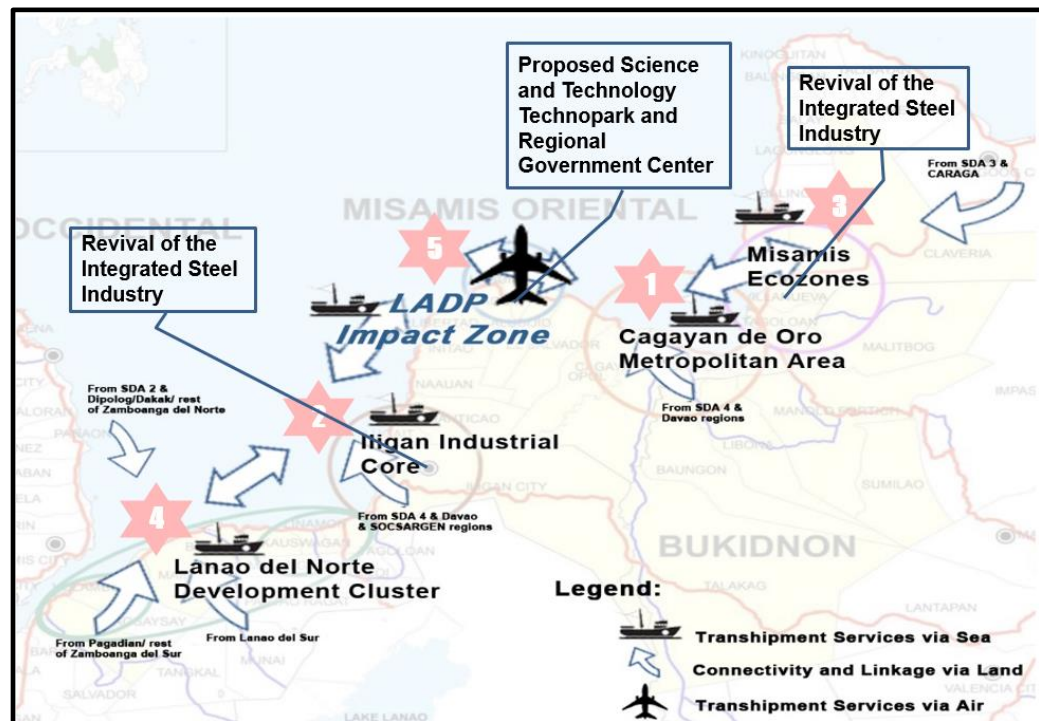


advantages, foremost of which are the presence of power source and adequate harbor. Availability of cheap power is the impetus of Iligan becoming host to a number of heavy industrial plants.

The region shall prioritize the revival of its integrated steel industry particularly in the two KDZs of SDA 1, namely: KDZ 2: Iligan Industrial Core where the original steel industry was located; and then KDZ 3: Misamis Ecozones where the PHIVIDEC

Industrial Estate is located. Forward and backward linkages shall also be promoted considering that these two KDZs play host to several small to medium and heavy industrial and processing plants. The necessary support infrastructure and utilities such as telecommunication, commercial centers, roads, water and power utilities, and ports are already existing in these areas.

*Figure 3.2 Functional Roles and Linkages of KDZs in SDA1, Region X*



### *KDZ 3: Misamis Ecozones*

The Misamis Ecozones shall continue to be the main center for industrial development in the region and host most of the heavy and medium-scale industries in the SDA. At its core is the PHIVIDEDEC Industrial Estate (PIE), located in Tagoloan and Villanueva, Misamis Oriental. The PIE, whose radius extends to the special economic zone in Jasaan, is an ideal industrial and processing destination as it is situated 25 kilometers northeast of Cagayan de Oro City. Also, it has the necessary support infrastructure and utilities such as telecommunication, commercial centers, water and power utilities, and ports.

### *KDZ 4: Lanao del Norte Development Cluster*

The Lanao del Norte development cluster stretches from the agro-industrial center town of Linamon to the capital town of Tubod. The coastal corridor of six municipalities is strategically located as it links Misamis Occidental and the rest of Zamboanga peninsula to the SDA. It holds high prospects for agri-industrial development having rich coastal and mountain ecosystems highly suitable for fishery and agricultural uses. Improving agriculture productivity to spur broad-based and socially-inclusive economic activities remains the fundamental challenge. The cluster shall participate in upstream industries such as the global Halal market, and aquaculture and marine-based production.

The KDZ's proximity to Iligan City, and the operation of the Metro Iligan Agri-Industrial Center (MIRAIC), further positions its role as an agri-industrial center in the SDA. It shall also capitalize on eco-cultural tourism given its resource-rich environment, and the cultural diversity of its people, and sports tourism by tapping the world-class Mindanao Civic Center (MCC) Sports Complex.

### *KDZ 5: Laguindingan Airport Development Impact Zone*

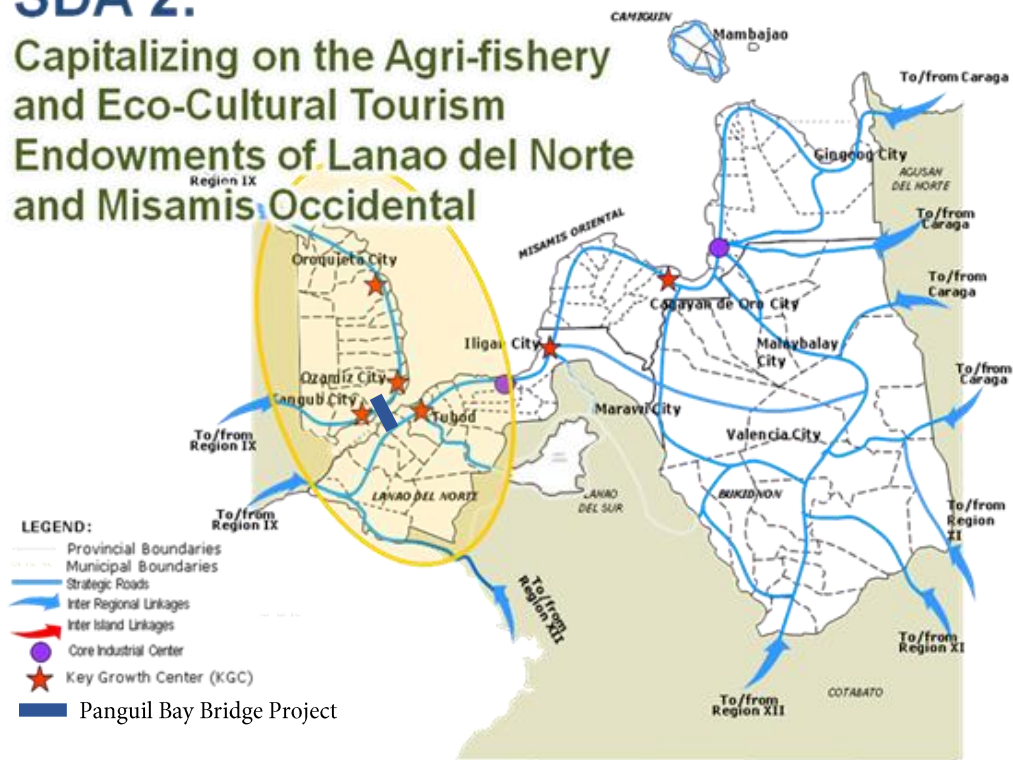
This KDZ is expected to trigger the birth of an Aerotropolis, a new urban form where the layout of infrastructure and economy is centered on the airport. The Mindanao Techno Park shall rise in this site, which is an innovative Economic Zone for Mindanao to be located in Alubijid, Misamis Oriental, which is just about 20 minutes from the airport. It shall be pursued to provide access to quality higher education with industry participation especially along science and technology (S&T).

The park shall likewise allocate a land area for the establishment of a regional government center which is very strategic in terms of providing regulatory services to the various investments that shall be poured in the area. Thus, the government, industry experts and the academe shall collaborate to educate and train university students in specific areas of study. The supporting business and trade shall likewise spawn, complementing the economic activities in the Metro Cagayan de Oro.

Figure 3.3 Region X Strategic Development Area 2

## SDA 2:

### Capitalizing on the Agri-fishery and Eco-Cultural Tourism Endowments of Lanao del Norte and Misamis Occidental



#### SDA 2: Capitalizing on the Agri-Fishery and Eco-Cultural Tourism Endowments of Lanao del Norte and Misamis Occidental

This cluster which covers the western part of the region radiates its influence to Lanao del Norte and Misamis Occidental, capitalizes on the Agri-Fishery and Eco-Cultural Tourism endowments of the two provinces covered. Improving physical accessibility and the utilization of productive resources shall be the focus of development to hasten economic growth and eventually make the area self-reliant and productive.

An atmosphere promotive of public and private investments shall be created to spur economic activities in resource rich yet poverty-stricken communities.

As the SDA 2 is bounded by the bays of Panguil, Murcielagos, and Iligan, conservation and protection schemes shall be undertaken to safeguard its marine resources. It shall capitalize on its rich eco-tourism potentials especially that of the Mt. Malindang Range Natural Park, and in the municipalities of Sultan Naga Dimaporo and Baloi, Lanao del Norte.

To complement the MIRAIC in Linamon, the municipality of Lala, which is located in the heart of Kapatagan Valley, shall cater to

the financial, commercial, research and technology processing, as well as market information services of the SDA and neighboring municipalities.

While the SDA is occasionally disrupted by family feuds as rido, and land-related armed conflicts in pocket areas of Lanao del Norte, it shall continue to implement peace and development initiatives. Mechanisms for the resolution of land conflicts and family feuds shall be promoted while socioeconomic interventions shall be provided to conflict afflicted barangays, and peace and order councils shall be strengthened with traditional conflict resolution bodies highly involved.

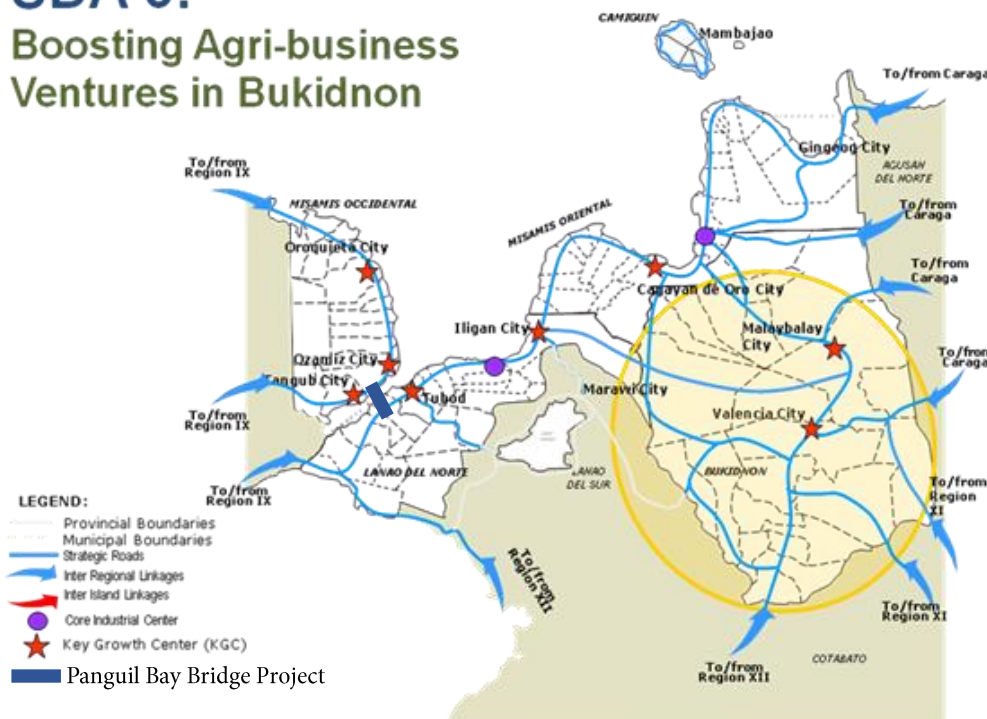
The SDA shall also establish a special growth center to showcase the cultural diversity in the communities within the

Iligan-Lanao del Norte-Lanao del Sur triangle. The cultural mix among Christians, Muslims, and indigenous peoples in these areas shall be turned into a strong foundation for forging the continued development of the SDA and the region as a whole.

Accessibility and presence of established transportation links to Cebu and Manila, Provinces of Zamboanga del Norte, Zamboanga del Sur, and Lanao del Sur, and Cities of Dipolog, Zamboanga, Dumaguete, Iligan, and Cagayan de Oro shall enhance the economic growth and development of the SDA. The Panguil Bay Bridge is seen to hasten the agro-forestry, fishery, and eco-tourism activities.

*Figure 3.4 Region X Strategic Development Area 3*

### SDA 3: Boosting Agri-business Ventures in Bukidnon



### **SDA 3: Boosting Agri-Business Ventures and Eco-Tourism in Bukidnon**

Cluster 3 mainly covers the province of Bukidnon. The central part of Bukidnon shall continue to be the main source of agricultural products and raw materials for the processing plants in the region. Potentials along eco-tourism and recreation, and agri-business shall also be developed especially with the opening of major roads linking the province to Iligan City, Davao, and Cotabato.

Having the biggest agricultural area with soils and climate highly suitable for agriculture, the SDA shall pursue improvements of production of food crops, industrial crops, high value crops, poultry, piggery and large livestock. Maximizing the outputs from agriculture shall be derived from the efficient utilization of agricultural lands, through the use of appropriate and sustainable technologies and strong agri-business linkages. Value-adding activities shall be encouraged by the establishment of processing centers.

While the two Cities of Malaybalay and Valencia are the main growth centers that shall drive development of the SDA, the emerging urban center of Maramag is expected to spur development in the southern part of the area.

Aside from the three growth centers, other sub-areas shall be developed:

- The Temperate Crop Zones around the Mt. Kitanglad Range, which is fast becoming the vegetable bowl of

the region and highly suited for high value cash crops and vegetables.

- The highlands of the Bukidnon-Davao area, which has a temperate climate, shall be developed as a summer capital and retirement and vacation destination.

The expansion and widening of the Bukidnon-Davao-Cotabato Road into four lanes will hasten the flow of goods and people and give opportunities for the tourism and recreation center development. Another alternate route connecting Davao is the opening of the Valencia-Talaingod-Kapalong Road which exits in Tagum, Davao del Norte.

The threats to peace and order due to the presence of the Communist Party of the Philippines – New People’s Army (CPP-NPA) in some areas of the SDA are being addressed with peace building and conflict sensitive resource and asset management program to ensure utilization of its agricultural resources and potentials.

### **SDA 4: Harnessing the Gingoog-Camiguin Tourism Adventure Loop**

For Camiguin to become a major tourist destination in the country, the primary strategy is to create an integrated adventure-type coastal and/or expanded tourism highway. While working on the improvement of access to tourism sites and facilities, tour packages shall be designed to connect tourists in Cagayan de Oro passing the tourism sites in Misamis Oriental, such as Mantangale in Balingoan and Duka Bay



in Medina to Camiguin, and then to Bohol and Cebu and vice versa, through the nautical highway. This would complement the development of adventure tourism in Bukidnon and other areas.

Camiguin is strategically positioned as a major tourist destination in the country with its link to the Bohol and Cebu islands in the Visayas, thru the RoRo and other sea ports and to the ten coastal towns in Misamis Oriental and onwards to Butuan City in Caraga Region.

Emanating from Cagayan de Oro, Butuan, Cebu or Bohol, connecting stops shall be

established in each island group through fast sea crafts or other ship vessels. Tourists shall be able to enjoy leisure trips with arrays of entertainment featuring the culture and other unique characteristics of the island (e.g. health, wellness, and medical tourism services).

With the roads completely paved along Gingoog-Claveria-Villanueva route, the motorists shall enjoy the reduced travel time at an average of thirty (30) minutes between cities of Cagayan de Oro and Gingoog. This route further boosts tourism activities and improves the means of transporting agricultural products.

*Figure 3.5 Region X Strategic Development Area 4*



Local small scale enterprises supportive of agriculture and fishery resources and potentials shall be developed to ensure a steady supply of agriculture and food products, as well as souvenir items to

support the tourism industry. Sustainable livelihood projects and enterprises shall be sustained.

### 3.3 Network of Settlements<sup>7</sup>

The region's population in 2010 is estimated to double in 34 years or by 2044. It is expected that the urbanization rate and pattern will be even faster compared to that of past decades. The increased integration of urban and rural settlements due to improved transportation network,

sophisticated technology and access to worldwide communication, cultural and industry linkages, and with the growing services sector and demands shall consequently bring about more concentration of population during the plan period.

**Table 3.2 Population projections, by province and city, Region X, 2020, 2030, and 2040**

PROVINCE/ CITY	A&D LAND AREA (SQ.KM)	POP 2010	EST POP 2020	EST POP 2030	EST POP 2040	2040 POP DENSITY PER A&D (SQ.KM)
<b>Region X</b>	<b>9,352.97</b>	<b>4,297,323</b>	<b>5,267,693</b>	<b>6,457,176</b>	<b>7,915,251</b>	<b>846.28</b>
<b>Total Provinces</b>	6,445.69	2,614,653	3,210,314	3,942,561	4,842,604	51.29
Bukidnon	3,031.82	964,551	1,179,397	1,441,869	1,762,457	581.32
Camiguin	237.23	83,807	94,445	106,247	119,319	502.97
Lanao del Norte	1,545.27	607,917	779,798	998,521	1,276,386	826.00
Misamis Occidental	705.88	307,278	353,618	406,642	467,324	662.04
Misamis Oriental	935.5	651,100	803,056	989,282	1,217,118	1,301.03
<b>Total Cities</b>	2,897.28	1,682,670	2,057,379	2,514,615	3,072,647	1,060.53
Cagayan de Oro	172.07	602,088	783,437	1,017,623	1,319,531	7,668.57
El Salvador	87.13	44,848	57,544	73,201	92,313	1,059.49
Gingoog	1,175.01	117,908	134,616	152,371	170,978	145.51
Iligan	332.1	322,821	364,919	411,784	463,866	1,396.77
Malaybalay	397.14	153,085	188,272	230,079	279,398	703.53
Oroquieta	101.12	68,945	79,151	90,551	103,232	1,020.89
Ozamiz	153.42	131,527	156,115	184,655	217,651	1,418.66
Tangub	104.92	59,892	71,926	86,078	102,655	978.41
Valencia	347.37	181,556	221,399	268,273	323,023	929.91

Source of A&D land area: Planning and Management Division, DENR-X; Population Projection/Density computed by the NEDA-X

Based on the Scalogram<sup>8</sup>, Cagayan de Oro City emerged as the dominant center in terms of the availability of services and

facilities. Thus, both in terms of population and facilities/services, Cagayan de Oro serves as the regional center. This reflects

<sup>8</sup> Shows the degree of access that people have to services and facilities and eventually assists the region in arriving at appropriate investments for settlements on a hierarchical basis. This hierarchy of functions and services is derived from centrality index of which major services and or key facilities were considered in the CDRS-RFPF 2013-2040 (2015 Update).

the city’s role as the regional capital, and stands as the major “GATEWAY” and transshipment hub to the rapidly industrializing area, as well as business, trade, and other services in Northern Mindanao.

With the operationalization of the Laguindingan Airport and its allied projects (e.g., seaport), the development of the Cagayan de Oro and Iligan Corridor Growth Area shall be intensive. Cagayan de Oro as a primary urban center shall stand to be the concentration of development and urbanization. This shall be further spurred and revitalized by the various industries and intensification of commerce, trade and services; full operationalization of the Mindanao Container Terminal; and continuing improvement of the transport and communication facilities.

By 2040, Cagayan de Oro and its nearby environs shall have over one million population which will elevate it into a secondary metropolitan center. This is consistent with the proposed national network of settlements, citing Metro

Cagayan de Oro as one of the four Metropolitan Centers in the country. Likewise, the Mindanao Spatial Strategy/ Development Framework 2015-2045 affirms Metro Cagayan de Oro to complement Metro Davao in realizing the Mindanao’s position as the country’s agri-industrial center. As such, Metro Cagayan de Oro just like the other metropolitan centers shall serve as center of commercial, financial and administrative activities, primary international gateway, and the availability of high level services in education, health, ICT, public transport, among others. It shall also continue to be the prime educational center in the region with three private universities and one major S&T state university. All these universities have centers of excellence (COE) and centers of development (COD) that shall cater to the human resource needs of the industry sector and the economy.

Based on the seven levels of functional hierarchy used in the Scalogram, the proposed hierarchy of settlements in the region is shown below and also in Map 3.5:

HIERARCHY OF SETTLEMENTS	NUMBER AND AREA/PLACE
Secondary Metropolitan Center	(One) Metro Cagayan de Oro
Sub-regional center	(Three) Cities of Iligan, Ozamiz and Valencia
Large Cities	(Two) Cities of Malaybalay and Gingoog
Small to Medium Cities	(Eleven) El Salvador City, Oroquieta City, Tangub City, Balingasag, Maramag, Quezon, Manolo Fortich, Lala, Opol, Tagoloan, Laguindingan
Emerging Centers	26 municipalities
Urbanizing Centers	28 municipalities
Small to Medium Towns	22 municipalities

The population of Iligan City, which presently serves as a sub-regional center, shall increase to nearly half a million by 2040, and shall remain to be highly urbanized and industrialized. Like Cagayan

de Oro, it shall have easy access to the Laguindingan Airport, and its allied projects shall also facilitate the inflow and outflow of resources and services in the city. With its key role in the SDA 1, it shall



complement in the development of the Cagayan-Iligan Industrial and Trade Corridor. With its large industrial-resource base located in the city and its immediate periphery, it shall also continue to serve as the secondary growth center. The presence of one state university in the city with six COEs and 11 CODs, the highest in Mindanao complements the role of Metro Cagayan de Oro in the provision of high level competencies and skills of the region's populace.

Ozamiz City shall serve as one of the sub-regional centers in the region due to the presence of its national airport and seaport, serving as strong entry points to and from the Visayas and Luzon. It likewise maintains its role as the commercial and trade center with the large number of goods, facilities, and services.

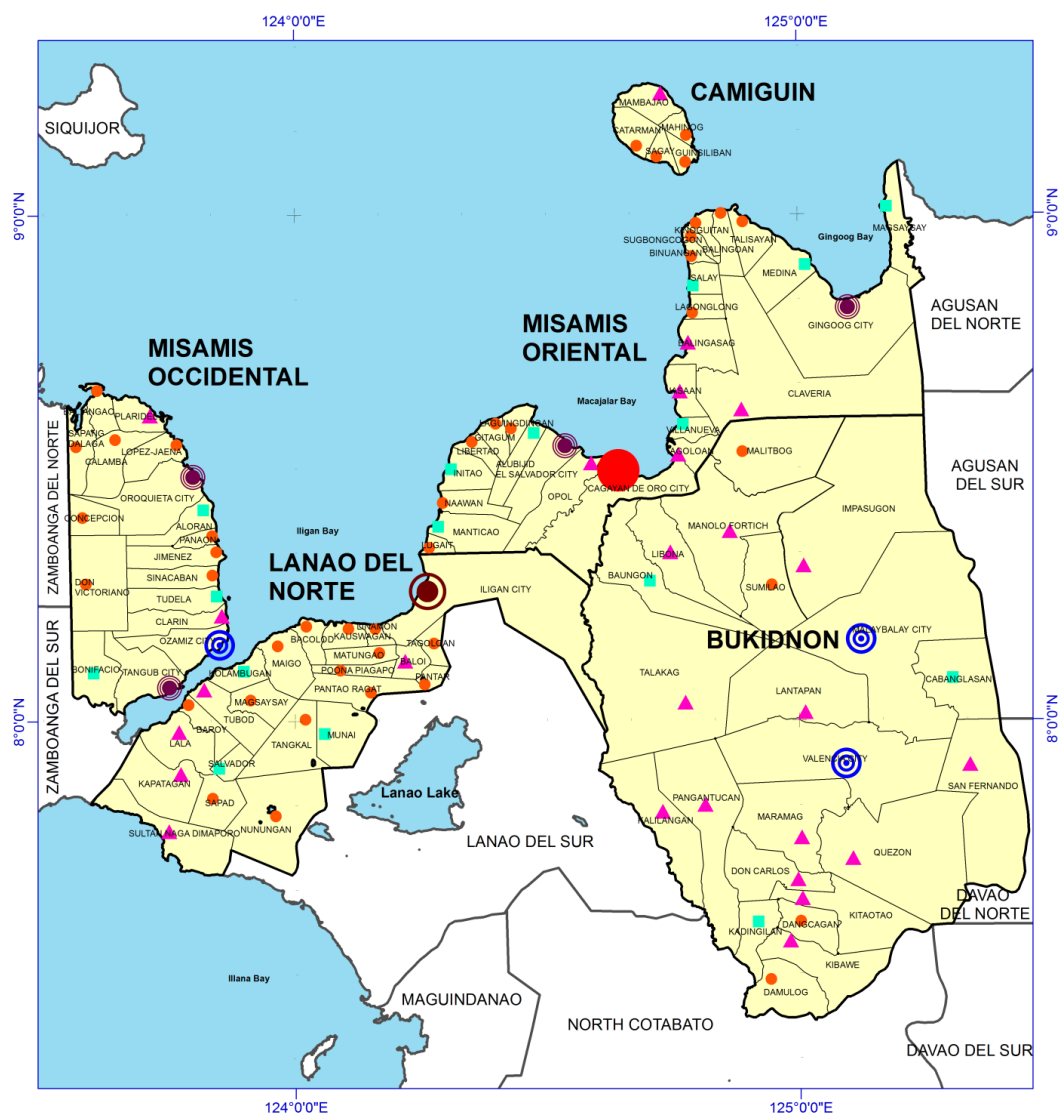
Malaybalay City serves as the main growth center that drives development of boosting the agri-business ventures and eco-tourism in Bukidnon (SDA3). Valencia City, is another large city taking its role as the agri-business and trade center of the province. It shall become a sub-regional center in 2040 due to population growth and increasing number of services and facilities. The small to medium cities and emerging centers shall have direct links to the larger cities and growth centers in terms of economic and other commercial activities and likewise connect to smaller or local centers to facilitate the flow of goods and services. Areas classified as urbanizing centers, and

small and medium towns have lower population and lesser number of facilities/services, and are usually located in the rural and hard to reach areas. Apparently, there is a need to focus development interventions in these areas to achieve inclusive growth.

Overall, the region's development direction supports the four SDAs where urban development is expected to happen within the plan period, and beyond. It seeks to create more urban centers and not just one large metropolitan city dominating all the others. The urban areas shall be high density centers, with mixed land uses, and pedestrian-centered public spaces and infrastructure. The compact development model aims for economy of space in order to preserve the countryside. The growth centers are then arrayed in a corridor to serve as service centers to the rural hinterlands.

The four policy options for settlements development are the following: a) redevelopment or renewal (in the case of SDA1), b) growth of other towns/cities (especially those identified in the SDAs), c) urban expansion/metropolitan growth (i.e., Cagayan de Oro together with its adjacent municipalities/cities), and d) new town/city development (i.e., El Salvador City and other areas along the four SDAs). The initial settlements development for 2010 and the indicative settlements development for 2040 are shown in Map 3.4 and Map 3.5.

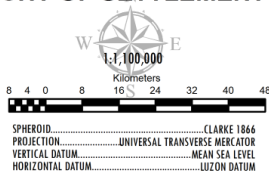
Map 3.4 Hierarchy of Settlements, Region X, 2010



Source of Maps:  
National Mapping and Resource Information Authority  
Philippine Statistics Authority - X  
www.dbm.gov.ph for Land Area (IRA-based)

NORTHERN MINDANAO (REGION X)

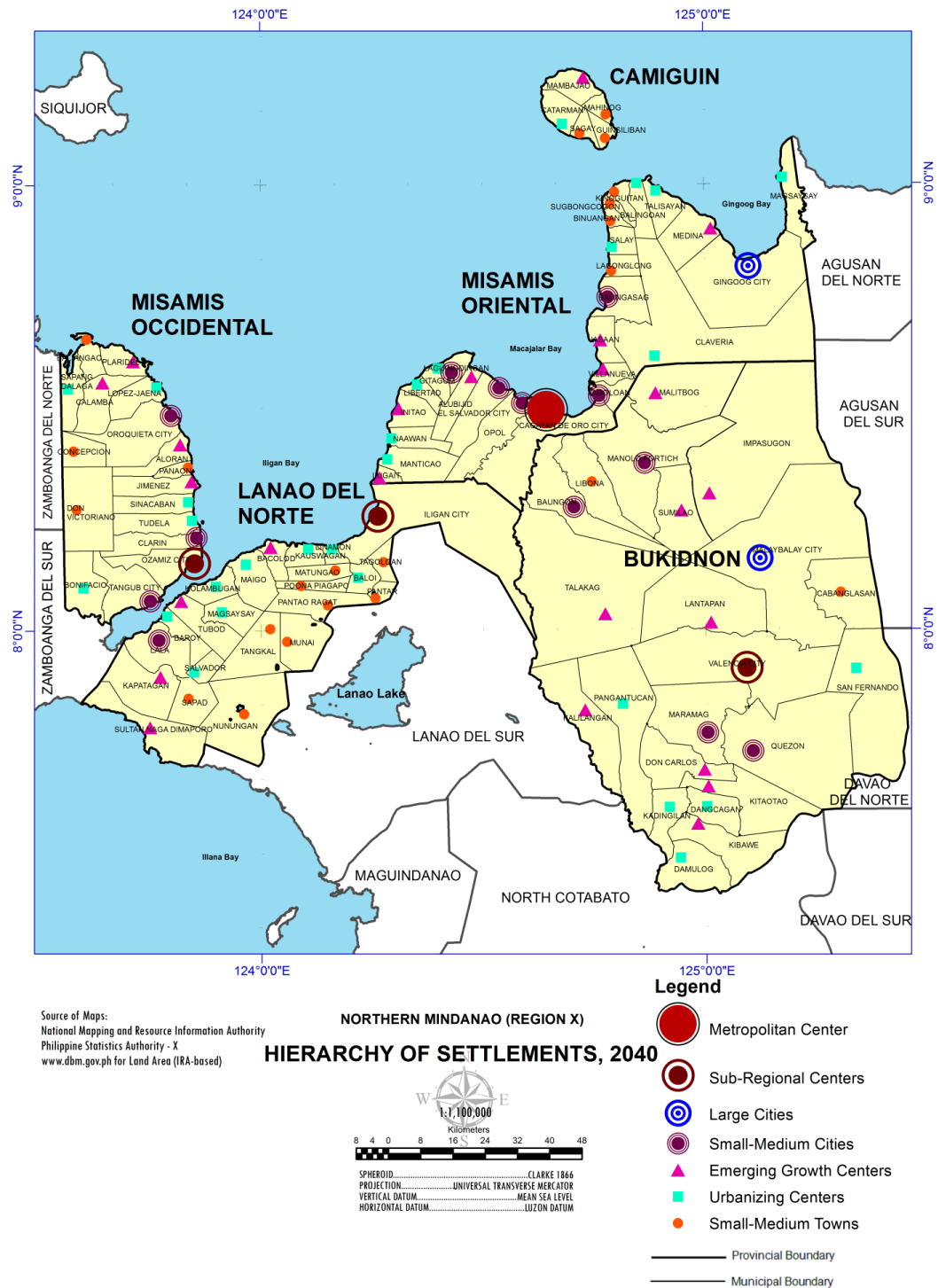
### HIERARCHY OF SETTLEMENTS, 2010



### Legend

- Regional Center
- Sub-Regional Center
- Large Cities
- Small-Medium Cities
- ▲ Emerging Growth Centers
- Urbanizing Centers
- Small-Medium Towns
- Provincial Boundary
- Municipal Boundary

Map 3.5 Hierarchy of Settlements, Region X, 2040





04

The Philippine and  
the Regional  
Development Plan  
Framework



## Chapter 4

# The Philippine and the Regional Development Plan Framework 2017-2022

## Philippine Development Plan Framework

The Philippine Development Plan (PDP) 2017-2022 is anchored on the country's Long Term Vision or the *AmBisyon Natin 2040*, the 2030 Sustainable Development Goals (SDGs), and the President's 0 to 10 point Socio-Economic Agenda. Executive Order No. 5 (s. 2016) adopted the *AmBisyon Natin 2040* twenty-five-year vision for the Philippines, "By 2040, the Philippines shall be a prosperous, predominantly middle-class society where no one is poor. Our peoples will enjoy long and healthy lives, are smart and innovative,

and will live in a high-trust society." In terms of vision of Filipinos for self, this is expressed as "In 2040, we will all enjoy a stable and comfortable lifestyle, secure in the knowledge that we have enough for our daily needs and unexpected expenses, that we can plan and prepare for our own and our children's future. Our family lives together in a place of our own, and which we have the freedom to go where we desire, protected and enabled by a clean, efficient, and fair government."

**Figure 4.1 Philippine Development Plan Framework**



The six year- Philippine Development Plan 2017-2022 sets the foundation of the overall vision and shall aspire to contribute to the attainment of a “*Matatag, Maginhawa, at Panatag na Buhay para sa Lahat*.” As such, it is the first medium-term plan to implement the *Ambisyon Natin 2040* and will lay down a solid foundation for a more inclusive growth, a high trust society and a globally competitive knowledge economy, through its emphasis on “**Malasakit at Pagbabago tungo sa Patuloy na Pag-unlad**”. The three pillars of the above-indicated framework are as follows:

**Enhancing the social fabric:** The aim is to regain peoples’ trust through “*Malasakit*” – making public institutions people-centered, efficient and clean. Administration of justice shall be swift and fair. Filipinos shall also be made aware of the country’s cultural diversity and its value.

**Reducing inequality:** For each economic sector, it is about expanding economic opportunities and then, increasing access to these opportunities particularly of sub-sectors and economic groups that used to lag behind, so that ordinary Filipinos can feel the “*Pagbabago*”. Reducing vulnerability through social protection and accelerating human capital development through health, nutrition and education investments shall also be prioritized.

**Increasing potential growth:** It is imperative that growth is accelerated and sustained, “*Patuloy na Pag-unlad*.” This can be done by graduating to a knowledge

economy. Technology adoption shall be promoted and innovation encouraged.

Potential growth can be further accelerated by maximizing the gains from demographic dividend. There will be aggressive efforts to ensure that families will be of the size that can be adequately cared for. This will be complemented by measures to delay childbearing and lengthen the space between births.

**Enabling and supportive economic environment.** Growth shall be supported by maintaining macroeconomic stability, putting in place a strategic trade and fiscal policy, and enhancing access to financial services. The tax system will be made more efficient, equitable and globally competitive. At the same time, a national competition policy will be formulated and implemented to ensure a level playing field.

**Foundations for sustainable development.** The physical environment, on the other hand, shall be characterized by a balanced and strategic development of infrastructure while ensuring that there is ecological integrity and a clean and healthy environment, as well as building resiliency against disasters and other shocks.

All these will be underpinned by ensuring national security against internal and external threats, and restoring public order and safety. There shall be earnest efforts to secure lasting peace through the resumption of peace talks and by pursuing economic justice.



# Regional Development Vision and Framework

To ensure consistency with the PDP, the region's development plan framework basically adopts the national development framework. The country's long term vision is well expressed in the region's vision of development. *Northern Mindanao is envisioned to be the gateway and leading industrial core and trade center in Southern Philippines with dynamic men and women enjoying equal opportunities in sustainably harnessing its agricultural and natural resources in building a decent, harmonious and safe environment*<sup>1</sup>.

The region shall present itself as the most competitive, efficient and attractive transshipment hub and venue for industrial ventures. It shall assert its role as the leader in high-value agriculture-based and fishery products, and key player in manufacturing and other high-productivity sectors.

The region's pursuit of its vision recognizes the importance of spatial dimension through the strategic development areas (SDAs) to achieve more-focused interventions. Knowing and harnessing the comparative advantages and growth potentials of these areas redirect economic growth, social protection, and investments (Chapter 3).

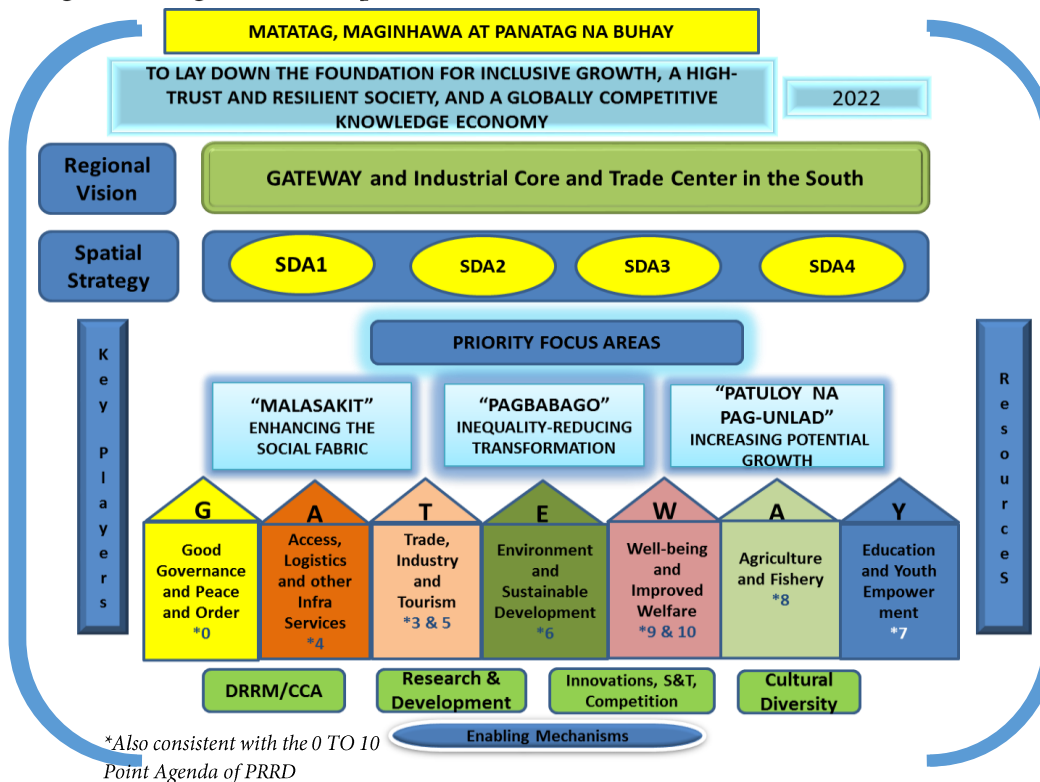
In asserting its role as the Gateway to Mindanao, it shall implement strategic

interventions coined as GATEWAY that shall address the collective concerns of the three major pillars of the PDP: Reducing Inequality (*Pagbabago*), Increasing Potential Growth (*Patuloy na Pag-unlad*), and Enhancing the Social Fabric (*Malasakit*). **GATEWAY** that stands for: **G** for Good Governance and Peace and Order (Chapters 5, 6, 17, 18); **A** for Access, Logistics and other Infrastructure (Chapter 19); **T** for Trade, Industry and Tourism (Chapters 9 and 10); **E** for Environment and Sustainable Development (Chapter 20); **W** for Well-being and Improved Welfare (Chapters 11, 12 and 13); **A** for Agriculture, Fishery and Forestry (Chapter 8); and **Y** for Education and Youth Empowerment (Chapters 11 and 13). Science, Technology and Innovation, as well as Research and Development (Chapters 11 and 14) provide support to these interventions. The need to increase awareness and value the region's cultural diversity is recognized (Chapter 7). The Disaster Risk Reduction Management/Climate Change Adaptation (DRRM/CCA) interventions are integrated to sustain the gains the region has achieved over the years (Chapter 20 and integrated in various chapters of the plan).

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<sup>1</sup> *Climate and Disaster-Risk Sensitive Regional Physical Framework Plan, 2013-2040 (2015 Update); vision was presented and adopted during the series of provincial and city consultations on the RDP 2017-2022 formulation.*

**Figure 4.2 Region X Development Plan Framework**



The framework puts emphasis on the identified priority focus areas (PFAs) that the region has competitive and comparative advantages.<sup>2</sup> These PFAs are expected to supply the huge domestic and foreign markets for agriculture and fishery products while creating opportunities for value adding and development of local industries with forward and backward linkages to the region. Value chain and SWOT analyses of these specific industries or commodities are necessary to identify development gaps and opportunities in order to sustain the region’s overall competitiveness.

In laying down a solid foundation for a more inclusive growth, a high-trust and

resilient society, and a globally competitive, knowledge economy,

the participation of the private sector in the development processes is highly recognized. As the real engine and catalyst of growth, the private sector involvement especially in major programs and projects shall be strengthened. The government shall continue to improve the enabling environment for development.

The region shall continue to adopt sustainable resource utilization practices and activities, respect for human rights, beliefs, traditions and culture of the people including the Indigenous Peoples (IPs), as well as recognize the importance of gender, and migration and development.

<sup>2</sup> PFAs of Region X: high value agricultural crops; livestock, poultry and fishery; fresh and processed foods; metals and engineering; tourism; and other emerging sectors discussed in the appropriate chapters of the plan.

PART II

# **ENHANCING THE SOCIAL FABRIC ("MALASAKIT")**





05

Ensuring  
People-centered,  
Clean and Efficient  
Governance



## Chapter 5

# Ensuring People-centered, Clean and Efficient Governance

This chapter highlights the need to build trust in public institutions by ensuring transparent and people-centered public services, strengthening civil service, engaging and empowering people, improving the fiscal functions of local governments, guaranteeing equitable opportunities to improve the well-being of men and women, and ensuring rule of law where legal framework are fair and enforced impartially.

## Assessment

### *Transparency and accountability of government agencies and LGUs*

For transparency and accountability, financial statements are made more accessible to the public. The national government agencies complied with the National Budget Circular 542 of the Department of Budget and Management (DBM) on the setting up of transparency seals in the agencies' respective websites. The transparency seal reflects, among others, the agencies' mandates and functions, annual budgets and accomplishments, and status of programs and projects implemented.

The local government units (LGUs) also complied with the Full Disclosure Policy (FDP) of the Department of the Interior and Local Government (DILG). The FDP requires local officials of provinces, cities, and municipalities to fully disclose

particular financial transactions of the LGU to keep their constituents informed of how the LGU budget is managed, disbursed and used.

From only two provinces, three cities and 18 municipalities that were compliant with the FDP in 2012, four provinces, seven cities and 82 municipalities have fully complied with the FDP or a compliance rate of 95 percent of the 98 targeted LGUs in 2016.

In 2016, a total of 1,153 (57% of the 2,022 barangays) adopted the Barangay Governance Performance Management System (BGPMS) from only 98 pilot barangays in 2011. The BGPMS is a mechanism to determine and establish the level of performance of barangay government in the areas of administration, social services, economic development and environmental management.

All provinces, cities, and municipalities in the region were assessed for SGLG 2014 and 2015 that yielded 19 and 26 awardees,

respectively. Three provinces (Camiguin, Lanao del Norte and Misamis Occidental), two cities (Valencia and Oroquieta) and 14 municipalities (Dangcagan, Impasugong, and Maramag in Bukidnon; Baroy, Kapatagan, Kauswagan, and Lala in Lanao del Norte; Bonifacio, Lopez Jaena, and Plaridel in Misamis Occidental; and Lugait, Opol, Salay, and Villanueva in Misamis Oriental) garnered the SGLG in 2014.

The criteria for the Search for Outstanding LGUs have been scaled up from the Seal of Good Housekeeping (SGH) to the Seal of Good Local Governance (SGLG) which measures the performance of provinces, cities and municipalities in six areas, namely: 1) Good Financial Housekeeping; 2) Disaster Preparedness; 3) Social Protection; 4) Business Friendliness and Competitiveness; 5) Peace and Order; and 6) Environmental Management.

All provinces, cities and municipalities have submitted their electronic Statement of Receipts and Expenditures (eSRE) in 2016, up from 80 percent compliance rate recorded in 2012. The eSRE is a financial reporting database that keeps revenue and expenditure data designed by the Bureau of Local Government Finance (BLGF) to monitor local governments' financial performance.

For 2015, two provinces, four cities and 20 municipalities were conferred with the SGLG. These included the provinces of Lanao del Norte and Misamis Occidental, and the cities of Malaybalay, Valencia, Oroquieta and Ozamiz. Municipal awardees included four from Bukidnon (Dangcagan, Manolo Fortich, Pangantucan and San Fernando); two from Camiguin

(Mahinog and Mambajao); four from Lanao del Norte (Kapatagan, Kauswagan, Kilambugan, and Linamon); six from Misamis Occidental (Aloran, Clarin, Concepcion, Jimenez, Plaridel and Tudela); and four from Misamis Oriental (Alubijid, Laguindingan, Salay, and Sugbongcogon).

The SGLG award makes an LGU eligible to access the Performance Challenge Fund (PCF) amounting to PHP3 million for municipalities, PHP5 million for cities and PHP7 million for provinces. The PCF is a financial subsidy for local economic development projects identified in the recipient locality's annual investment program.

Of the targeted 98 LGUs at the provincial, city and municipal levels, 97 percent have already streamlined the Business Permit and Licensing System (BPLS) as of 2015. The BPLS is a simplified business registration process that reduces the number of steps and signatories in business permit applications.

## *Public service performance*

All of LGU requests for the DILG legal opinions were acted within 15 days from receipt of requests.

Government performance significantly improved as the agencies and LGUs post their respective Citizen's Charter, establish the Public Assistance and Complaints Center (PACC), and set-up priority lanes for pregnant women, senior citizens, and persons with disabilities needing frontline services. The Citizen's Charter



communicates, in simple terms, information on the services provided by government agencies to its citizens. The PACC is purposely set up to effectively receive feedback and monitor customer satisfaction in conformity with Rule VI of the IRR of RA 9485 otherwise known as the Anti-Red Tape Act (ARTA) of 2007.

Monitoring the implementation of the ARTA is continuing. The ARTA-Report Card Surveys have been conducted with the Land Transportation Office, Bureau of Internal Revenue, Social Security System, Home Development Mutual Fund, Philippine Health Insurance Corporation, Philippine Statistics Authority, Land Registration Authority, Land Bank of the Philippines and LGUs to spot check the delivery of frontline services. As of 2015, none of these agencies got a failed rating.

Budget execution has been accelerated with the introduction of the Public Financial Management (PFM) reforms for timely reporting of expenditures and to hasten the implementation of programs and projects. Bottom-up Budgeting (BuB), LGU-Public Financial Management Reform and the General Appropriations Act-as-Release-Document (GAARD) promote greater budget efficiency of government agencies in the timely execution of their programs, projects and activities and provision of expected results. To ensure that programs and projects are implemented as scheduled, government funds are released to the agencies within the prescribed timeline.

As of December 2015, a total of 93 LGUs (cities and municipalities) were beneficiaries of BuB programs and projects. Technical capabilities of some LGUs and line agencies on the preparation of Disaster Risk Reduction/Climate Change Adaptation (DRR/CCA)-enhanced development plans were improved. All five provinces have already completed and updated their DRR/CCA-enhanced Provincial Development and Physical Framework Plans. Series of trainings were also conducted for LGUs on mainstreaming DRR/CCA in local planning and in the formulation of the Local Climate Change Action Plans (LCCAPs).

Public sector unionism has been promoted to foster harmonious relationship between government employees and management to ensure a conducive working atmosphere. The creation of the Industrial Tripartite Councils (ITCs) in the private sector also promote harmonious labor-management relations and sustainable industrial peace through tripartism.

## *Engagement and empowerment of the region's population*

At least five of the local special bodies (LSBs) in the region are functional with the Local Disaster Risk Reduction and Management Council (LDRRMC) and Local Acquired Immune Deficiency Syndrome (AIDS) Councils or LAC being the most functional at the provincial, city and municipal level (Table 5.1).

**Table 5.1 Functional local special bodies, Region X, as of 2016**

LOCAL SPECIAL BODY	PERCENT TO TOTAL LGUS
Local AIDS Council (LAC)	98
Local Disaster Risk Reduction and Management Council (LDRRMC)	98
Local Development Council (LDC)	88
Local Council for the Protection for Children (LCPC)	82
Local Committee on Anti-Trafficking and Violence Against Women and Their Children	63

*Source: DILG-X*

In terms of people empowerment through cooperativism, the number of registered cooperatives increased by 22 percent from 1,436 in 2011 to 1,748 as of the first quarter of 2016. Paid-up capital also grew from PHP1.2 billion to PHP1.301 billion during the same period.

Advocacies on Gender and Development (GAD) mainstreaming in various development processes are continuing. These include the conduct of briefings on RA 7192 (Women in Development and Nation Building Act); RA 9710 (Magna Carta of Women); PCW-NEDA-DBM Joint Memorandum Circular (JMC) 2012-01 for government agencies - prescribing Guidelines for the Preparation of Annual GAD Plans and Budgets and Accomplishment Reports to Implement RA 9710 (Magna Carta of Women); PCW-DILG-DBM-NEDA JMC 2013-01 for LGUs - prescribing Guidelines on the Localization of the Magna Carta of Women;

mainstreaming GAD in regional/local development planning and in the preparation of Disaster Risk Reduction and Management (DRRM) Plans; conduct of gender sensitivity trainings; and briefings on the Harmonized GAD Guidelines in Project Development, Implementation, Monitoring and Evaluation.

## Revenue collection

The LGUs' financial performance showed increases in local revenue collections with 101 percent collection efficiency generating a total of PHP4.784 billion of the targeted PHP4.750 billion as of 2015. Revenue generation of provinces and cities almost doubled or an increase of 94 percent from PHP2.472 billion in 2010 to PHP4.784 billion in 2015, posting an average annual growth of 14.4 percent (Table 5.2).

**Table 5.2 LGU collection by income source, Region X, Provinces and Cities<sup>1</sup>, 2010-2015**

INCOME SOURCE	ACTUAL COLLECTIONS (IN PHP MILLION)						% SHARE	AAGR (%)
	2010	2011	2012	2013	2014	2015	2015	2010-2015
Real Property Tax	710.7	760.3	827.7	955.3	834.6	1,606.0	33.6	22.2
Business and other Taxes	777.7	759.8	860.9	1,018.8	1,224.5	1,352.6	28.3	12.0
Economic Enterprises	793.1	960.0	1,002.9	954.5	1,192.8	924.5	19.3	4.6
Fees and Charges	190.9	241.4	254.8	288.7	398.2	900.6	18.8	41.9
<b>GRAND TOTAL</b>	<b>2,472.4</b>	<b>2,721.5</b>	<b>2,946.3</b>	<b>3,217.3</b>	<b>3,650.1</b>	<b>4,783.7</b>	<b>100.0</b>	<b>14.4</b>

Source: DOF-BLGF-X

In 2015, real property tax receipts shared 33.6 percent of total collections followed by business and other taxes (28.3%) and economic enterprises (19.3%). Fees and charges constituted 18.8 percent of total collections.

provinces (15.8%) followed by Misamis Oriental (8.3%). Among the cities, Cagayan de Oro shared 34.8 percent followed by Iligan (12.7%) of the region's total collections in (

*Table 5.3).*

In 2015, Bukidnon accounted for the largest share of total collections among the

**Table 5.3 LGU collection (PHP) by province and city<sup>2</sup>, Region X, 2010-2015**

LGU	ACTUAL COLLECTIONS (IN PHP MILLION)						% SHARE	AAGR*
	2010	2011	2012	2013	2014	2015	2015	2010-2014
Bukidnon	312.0	440.3	401.6	362.5	473.2	758.2	15.8	22.7
Camiguin	22.7	27.6	26.0	27.9	30.4	44.0	0.9	15.4
Lanao del Norte	117.7	160.2	169.8	189.0	198.1	326.6	6.8	24.6
Misamis Occidental	117.0	113.8	127.2	137.3	222.0	215.5	4.5	15.15
Misamis Oriental	252.7	251.3	312.0	248.0	259.2	397.6	8.3	1.9
Cagayan de Oro City	854.5	912.9	1,040.1	1,286.5	1,398.8	1,667.1	34.8	14.5
El Salvador City	29.1	34.7	39.1	38.0	43.2	56.7	1.2	14.7
Gingoog City	56.6	63.5	65.7	68.7	77.5	98.7	2.1	12.1
Iligan City	307.3	345.6	365.4	418.8	439.4	609.8	12.7	15.3
Malaybalay City	66.2	67.7	72.7	80.6	88.6	117.4	2.5	12.6
Oroquieta City	28.8	38.5	42.6	38.4	45.3	47.7	1.0	11.6
Ozamiz city	134.9	157.4	159.6	164.9	196.9	234.6	4.9	12.0
Tangub City	23.5	35.0	38.8	44.5	49.6	58.9	1.2	21.0
Valencia City	149.5	73.0	85.7	112.2	127.8	151.0	3.2	5.8
<b>GRAND TOTAL</b>	<b>2,472.5</b>	<b>2,721.5</b>	<b>2,946.3</b>	<b>3,217.3</b>	<b>3,650.0</b>	<b>4,783.8</b>	<b>100.0</b>	<b>14.4</b>

\*Average Annual Growth Rate

<sup>1</sup> exclusive of municipalities & barangays

<sup>2</sup> exclusive of municipalities & barangays

Source: DOF-BLGF-X

Between 2010 and 2015, the Internal Revenue Allotment (IRA) dependency of Region X provinces and cities improved, except for the cities of El Salvador and Valencia which posted increases in IRA

dependency by 16.2 and 8.6 percentage points, respectively (Table 5.4). Of the 71 LGUs (provinces, cities and municipalities) with outdated Local Revenue Codes (LRCs), only 13 LGUs have updated LRCs, lower than the targeted 57 LGUs in 2015.

**Table 5.4 IRA dependency (in percent) of provinces and cities, Region X, 2010-2015**

PROVINCE/CITY	IRA DEPENDENCY (%) / YEAR						PERCENTAGE POINTS INCREASE/ DECREASE 2010-2015
	2010	2011	2012	2013	2014	2015	
Bukidnon	80	75	76	80	77	71	-8.5
Camiguin	91	90	91	91	90	89	-2.4
Lanao del Norte	84	80	78	79	79	73	-10.5
Misamis Occidental	82	84	81	77	81	79	-3.2
Misamis Oriental	73	75	69	76	77	72	-0.9
Cagayan de Oro	50	50	43	40	41	40	-9.6
El Salvador	66	64	83	84	84	82	16.2
Gingoog	90	89	87	87	87	86	-3.7
Iligan	72	71	67	65	67	62	-10.1
Malaybalay	91	92	90	90	90	88	-3.5
Oroquieta	91	89	87	88	88	89	-2.3
Ozamiz	72	69	65	66	65	64	-8.2
Tangub	92	89	86	85	85	84	-7.5
Valencia	73	89	85	83	83	82	8.6

Source: BLGF-X

**Table 5.5 Region X Provinces and Municipalities with Higher Locally Sourced Income (LSI) to Annual Regular Income (ARI), 2014**

PROVINCE/MUNICIPALITY	RANK	ANNUAL REGULAR INCOME (ARI) (PHP)	LOCALLY SOURCED INCOME (LSI) (PHP)	LSI TO ARI (%)
<b>Among Provinces</b>				
Bukidnon	12	2,021,590,991	426,574,985	21%
Lanao del Norte	13	983,487,356	198,050,763	20%
Misamis Occidental	16	849,123,452	153,739,003	18%
Misamis Oriental	18	1,080,276,975	191,786,190	18%
<b>Among Municipalities</b>				
Tagoloan	8	157,712,286	98,871,249	63%
Villanueva	10	227,506,987	128,283,822	56%

Source: DOF-BLGF-X

## Challenges

- 1) *The need to ensure transparency and accountability of government agencies and LGUs*

Most of the government agencies had their transparency seals posted in their respective agency websites. In addition, almost all of the targeted LGUs have complied with the FDP. However, some of the agencies' websites are not updated or maintained.

- 2) *The need to improve the quality of public service*

All government agencies need to revisit their respective Citizen's Charter to improve the quality of public service. The implementation of ARTA needs to be institutionalized and continually monitored to eliminate red tape, cut the costs of doing business, improve investor confidence and heighten the region's global competitiveness.

As the 93 LGUs have already benefited from BuB programs and projects, implementation bottlenecks were noted, such as: (a) insufficient social preparation; (b) incapability of LGUs to prepare project feasibility studies and other documentary requirements; and (c) delayed release of funds, among others.

- 3) *Limited participation in local special bodies*

Participation of the private sector/non-government/ people's organizations in local special bodies are limited. Full implementation of RA 7192 and RA 9710 by government agencies and LGUs need to be intensified. Public access to some information on government activities is restricted. Protocols in terms of access to the information need to be clarified.

- 4) *LGU dependency on IRA*

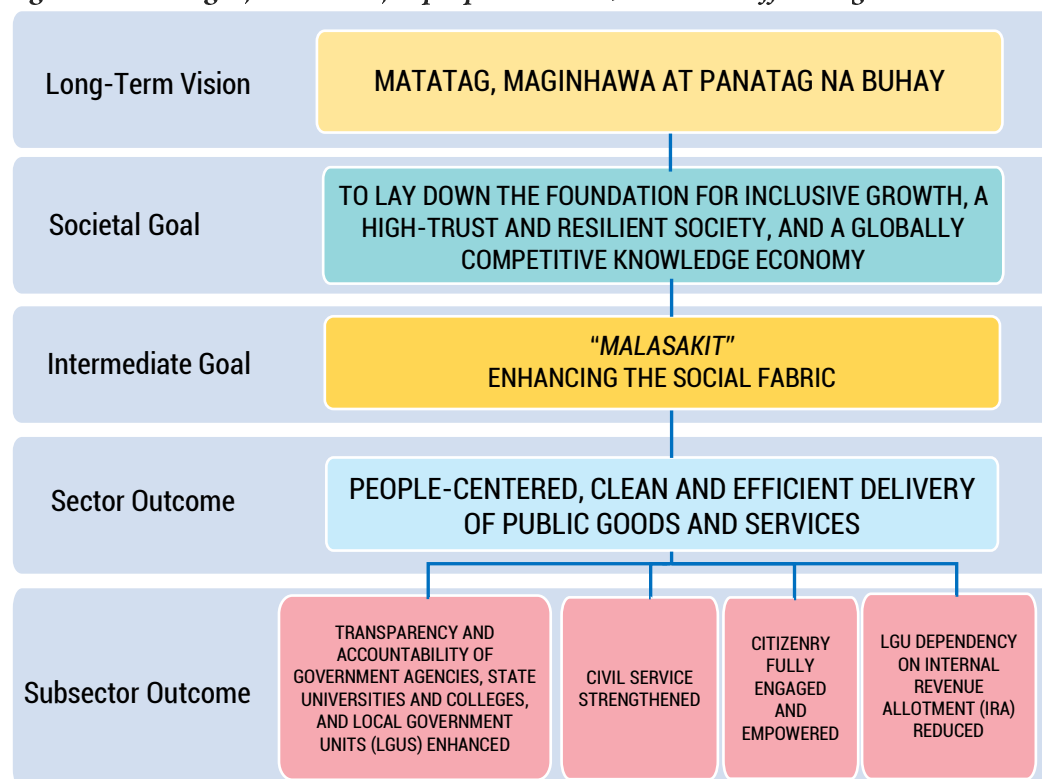
The inability of most LGUs to regularly enact the updating of revenue codes is attributed to delays associated with political factors. This hinders the LGUs' ability to finance more developmental projects beneficial to the constituents of their respective localities. In effect, most of the LGUs continue to rely on their respective IRA and local taxes to generate local finances.

## Strategic framework

Figure 5.1 indicates the outcomes needed to attain a people-centered, clean and efficient delivery of public goods and services. These, in particular, include: (a) enhancement of the transparency and accountability of government agencies, state universities and colleges, and local government units; (b) strengthening the civil service; (c) full

engagement and empowerment of the region's citizenry; and (d) reduction of LGU dependency on IRA. All these shall enhance the social fabric and contribute to the attainment of a high trust and resilient society and a globally competitive knowledge economy.

*Figure 5.1 Strategic framework for people-centered, clean and efficient governance*



**Subsector Outcome 1.**  
**Transparency and accountability of government agencies, state universities and colleges and local government units enhanced**

Strict compliance to Sec. 93 of the National Budget Circular No. 542 on Transparency Seal for NGAs and to the FDP shall be ensured.

The FDP's significance and usefulness to the public has to be ascertained especially in terms of local needs and preferences. The LGUs shall continue to upload and update their respective websites and/or post in conspicuous places within public buildings or in print media all major financial transactions such as the procurement plans, LGU budgets, statement of receipts and expenditures, and status of accomplishment of major programs and projects. Official engagement with the Department of Information and Communications Technology may be necessary to assist in capacitating the LGUs and regional line agencies in complying with the requirements of the Full Disclosure Policy and Transparency Seal.

A feedback mechanism shall be established especially in terms of understandability and responsiveness of the policy to the needs of the public. Moreover, compliance to RA 9184 (Government's Procurement Reform Act) shall also be monitored.

Sanctions shall be made against NGAs that do not comply with and update their respective Transparency Seals, as well as for LGUs which are non-compliant to the FDP.

The PFM of LGUs shall be improved and monitored. Conduct of trainings on PFM, Internal Audit Manual, Local Economic Enterprise Manual, 2016 Updated Budget Operations Manual and CSO Handbook shall be continued.

**Subsector Outcome 2. Civil service strengthened**

**Improve the delivery of public service**

Government offices shall post and update their respective Citizen's Charter, observe the "No Noon Break" policy to hasten the delivery of services and smoothen the processing of documents, and be vigilant with the "Anti-Fixer Campaign" against any act of fixing the frontline services of government agencies.

**Sustain reforms in local governance**

Scaling up the criteria of the SGH to SGLG shall include compliance of the LGUs to RA 10121, RA 7192 and RA 9710. Provinces, cities and municipalities shall be assessed on an annual basis. The SGLG awardees, as high performing LGUs, shall be continually recognized and sustained to motivate these LGUs to perform better and deliver quality services to their constituents. Technical assistance to LGUs on the various local development processes shall be sustained to help them align their local initiatives with the national government thrusts.

The implementation of the GAARD, participatory budgeting through BuB, and strengthening the culture of transparency and accountability through citizen's engagement in the government budgeting process shall be continued.

### **Enhance competitiveness of government officials and employees**

The quality of government services shall be improved. Government workers shall be armed with the needed capacities to effectively and efficiently deliver public goods and services. Trainings on the civil service policies/programs/thrusts shall be continuing. Public officials, especially the newly elected ones, shall be capacitated to become effective leaders. Government employees shall pro-actively respond to the needs of the public. The CSC Agency Accreditation Program (CSCAAP) shall be strengthened and human resource management upgraded. Government officials and employees, especially the new entrants in the civil service, shall be continually trained and capacitated.

Technical capacities of LGUs and line agencies to formulate development plans and investment programs shall also be enhanced. The Guidelines on the Provincial/Local Planning and Expenditure Management (PLPEM) and Guidelines on Mainstreaming DRR into Sub-national Physical Framework Plans shall be institutionalized. Technical assistance in mainstreaming DRR/CCA in the preparation of DRR/CCA-enhanced plans shall be provided as needed.

### **Establish the regional government center (RGC) of Northern Mindanao**

The regional government center of Northern Mindanao shall soon rise in Alubijid, Misamis Oriental. This is in line with the national government's strategy to decongest urban centers by dispersing

development through regional agglomeration. The proposed site of the RGC –geographically located as a relative centroid of Region X - is strategically positioned closer to Laguindingan Airport which is within the Cagayan de Oro–Iligan Corridor.

To jumpstart growth and stimulate economic activities in rural areas, the establishment of the RGC as a one-stop government service center is pursued as an integrated approach to good governance. The relocation of government offices in a clustered setting reduces carbon footprints due to reduced travel time and improves collaboration and coordination among agencies, thus, promoting efficient delivery of services, and improved government planning, and decision making.

The RGC concept has been initially discussed and presented to the University of Science and Technology of Southern Philippines (USTP) Board which has allocated 52 hectares of land intended for RGC buildings and facilities within the Academe-Industry Technological Park – a 300-hectare educational reserve for Mindanao Polytechnic State College (MPSC) under Proclamation No. 739, series of 2004. In 2008, RA 9519 converted the MPSC into the Mindanao University of Science and Technology (MUST). In 2016, RA 10919 established the USTP –merger of the MUST and the Misamis Oriental State College of Agriculture and Technology (MOSCAT).



### *Subsector Outcome 3. Citizenry fully engaged and empowered*

#### **Improve/strengthen citizen's engagement and participatory governance**

Involvement and active participation of civil society organizations (CSOs) in government activities especially in the LSBs shall be upheld for a more constructive government and private sector engagement. As such, pro-poor initiatives shall continue to be promoted. Functionality of LSBs has to be improved and intensified down to the barangay level.

For an increased participation of CSOs in the implementation of government programs/projects/activities, the required representation of NGO/private sector participation in local development councils/organizations shall be revisited. After 25 years, RA 7160 (Local Government Code) needs to get a thorough review.

#### **Reinforce the practice of volunteerism**

Volunteerism shall be a core modality in harnessing citizen engagement to increase public participation in the affairs of the government; promote a consultative process in policy and decision-making; and enhance accountability in managing development programs and activities.

The government shall reinforce the practice of volunteerism in the delivery of social services, provision of technical assistance, responding to disaster and undertaking humanitarian efforts, especially in the

remote and unserved areas. The talents, expertise, time and energies of volunteers from the academe, corporate sector, NGOs, government and foreign volunteer organizations shall be mobilized.

#### **Mainstream Gender and Development**

Participation of women, children, PWDs, elderly, among others, in government activities shall be ensured. Advocacy on RA 7192 and RA 9710 shall be intensified and localized down to the barangay level to ensure GAD mainstreaming in the various development processes.

Strict implementation of the guidelines on the use of GAD funds shall be monitored. Strict compliance to other GAD related guidelines such as JMCs 2012-01 and 2013-01 shall be ensured.

#### **Fast-track the implementation of BuB programs and projects**

Residual or delayed BuB programs/projects shall be implemented, albeit more quickly. LGUs shall be capacitated on the preparation of feasibility studies and other documentary requirements that need to be complied.

#### **Improve public access to information**

Transparency of public information shall be strengthened and Public-Private Partnership (PPP) encouraged. Timely and relevant government information shall be opened to the public. This shall be instrumental for the citizens and public

officials in making informed decisions and formulating/implementing development programs and projects. Freedom of Information manuals shall be prepared and uploaded in national government agencies' websites.

#### **Subsector Outcome 4. LGU dependency on IRA reduced**

##### **Improve local tax administration**

To minimize dependency on the national government in the delivery of basic services, there is a need to maximize the LGU's taxing powers as provided in the Local Government Code and step up their efforts in generating local resources. The national government shall provide continuous training and retraining of LGU personnel on local fiscal administration, reduction of delinquency in real property tax payments, revenue assessment/performance audits, and updating of the tax/revenue codes and schedule of Fair Market Values.

To reduce delinquency in real property tax payment, auction sale of delinquent real properties shall be conducted.

For an improved LGU collection efficiency, collection of locally-sourced revenues shall be enhanced. Passage of new ordinances, new taxes and imposition of maximum rates shall be considered. The LGU Income Classification (every four years) shall be updated as reference document in formulating local revenue generation policies.

LGUs with high performance in resource mobilization and expenditure management shall be recognized. Best practices shall be shared and exemplified for the LGUs to

replicate. IRA dependency of Region X LGUs shall be reduced to increase their ability to finance local development programs and projects.

##### **Reduce the cost of doing business**

Towards enhancing the region's competitiveness and ease of doing business, processing of business permits through the BPLS shall be simplified and shortened to 1-2 days for new business permit applications, and one day for renewal of business permits as prescribed in the DTI-DILG Joint Memorandum Circular 01, series of 2016.

To improve tax and customs collections and ease up doing business, full integration of an electronic system through the National Single Window (an internet based application that allows parties involved in trade to lodge information and documents with a single entry point to fulfill an import, export and transit-related regulatory requirements) is recommended. This shall make trade systems simpler, faster and more cost-effective.

Compliance of taxpayers and enforcement of tax laws shall be improved. Oplan Kandado, Run After Tax Evaders, benchmarking, audit, Tax Compliance Verification Drives, surveillance activities, and creation of NGA/LGU Withholding Tax Compliance Task Force shall be enforced. Administrative summary remedies in the collection of delinquent accounts shall be conducted.

Services provided to meet the taxpayers' needs shall be customized. Additional tax

guides and pamphlets targeting different obligations and types of taxpayers (corporate, self-employed and individuals) shall be developed. Tax information activities and dissemination of educational materials on tax obligations shall be intensified. Contact Center accessibility to all taxpayers nationwide aimed to increase level of community satisfaction shall be ensured.

To deliver high quality and timely service to taxpayers, the implementing rules of the Customs Modernization and Tariff Act shall be implemented. The Run After the Smugglers program shall be continued. The use of technology and provision of eServices shall be strengthened while eLounges in revenue district offices shall be established. Tax information campaign in the use of eServices shall be intensified.

some cases, LDRRMOs are also manned by permanent staffs from another LGU sections or departments (on designation basis or secondment) on top of their other assignments.

Creation of permanent plantilla LDRRM positions is needed to ensure continuity and enhancement of capabilities of trained personnel.

- 2) Review/amendment of RA 7160 to include provisions on improving LGU taxing powers

Twenty-five years after its enactment, RA 7160 shall undergo a long-overdue comprehensive review and possible major amendments. Legislative priorities shall include, among others, reviewing the IRA determination formula, and enhancing the taxing powers of the LGUs to improve local public finances and reduce heavy dependence on IRA.

## Legislative Agenda

- 1) Review/amendment of RA 10121 to consider the creation of permanent plantilla LDRRM positions

Section 12 of RA 10121 (Philippine Disaster Risk Reduction and Management Act of 2010) stipulates the establishment of a Local Disaster Risk Reduction and Management Office (LDRRMO) with the needed staff. However, in actual situation, most of the LDRRMOs are staffed with personnel of either temporary or co-terminus status causing fast turnover of trained manpower. In

- 3) Review/updating of LGU income classification

The latest income classification for provinces, cities and municipalities is based on Department of Finance Department Order No. 23-08 effective July 29, 2008. In this era of globalization, income generation of some LGUs may have already improved and income generation initiatives enhanced, thus raising their income classification level.

# Results Matrix

*Table 5.6. Results matrix for ensuring people-centered, clean and efficient governance*

Philippine Development Plan 2023-2028: Ensuring People-centered, Clean and Efficient Governance															
OBJECTIVES/ RESULTS	0 TO 10-PT. SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		ANNUAL PLAN TARGETS						END OF PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
Societal Goal: To lay down the foundation for inclusive growth, a high-trust and resilient society, and a globally competitive knowledge economy															
Intermediate Goal: Enhancing the social fabric of public institutions															
Sector Outcome: People-centered, innovative, clean, efficient and inclusive delivery of public goods and services															
Subsector Outcome 1:  Transparency and accountability of national government agencies (NGAs), state universities and colleges (SUCs) and local government units (LGUs) enhanced	Agenda 3	Goals 16 & 17	Percentage of LGUs (provinces, cities and municipalities) fully compliant with Full Disclosure Policy (FDP) increased	2015	86.73%	90%	92%	94%	96%	98%	100%	100%	Agency and LGU reports	DILG, LGUs	Strict implementation of the FDP & sanctions for non-compliant
			Percentage of LGUs partially compliant with Full Disclosure Policy (FDP) increased	2015								*	Agency and LGU reports	DILG, LGUs	Strict implementation of the FDP & sanctions for non-compliant

OBJECTIVES/ RESULTS	0 TO 10-PT. SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		ANNUAL PLAN TARGETS						END OF PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
			Percentage of LGUs with approved/ updated electronic Statement of Receipts and Expenditures increased	2015		98%	98%	98%	98%	98%	100%	100%	Agency and LGU reports	BLGF, LGUs	All LGUs religiously comply with quarterly reporting
			Percentage of national government entities compliant with National Budget Circular No. 542 (Transparency Seal on official websites) increased	2015		75%	80%	85%	90%	95%	100%	100%	Agency websites and reports	DBM, government agencies	All government agencies comply with Transparency Seal
			Percentage of NBC 542 compliant agencies with updated Transparency Seals increased	2015								100%	Agency websites and reports	DBM, government agencies	All government agencies religiously update their Transparency Seals

OBJECTIVES/ RESULTS	0 TO 10-PT. SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		ANNUAL PLAN TARGETS						END OF PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
			Percentage of NGAs, SUCs and (LGUs) compliant with RA 9184 (Government Procurement Act) increased	2015								100%	Agency, SUC, LGU and DBM reports	NGAs, LGUs & DBM	All government entities religiously comply with RA 9184
			Percentage of NGAs, SUCs and LGUs compliant with Policy-Based Budgeting increased (%)	2015								100%	Agency, SUC, LGU and DBM reports	NGAs, LGUs & DBM	All government entities religiously comply with Policy-Based Budgeting
Subsector Outcome 2:  Civil Service enhanced	Agenda 3 & 7	Goals 16 & 17	Percentage of LGUs (provinces, cities and municipalities) awarded with Seal of Good Local Governance increased (%)	2015	26%							*	Agency and LGU reports	DILG, LGUs	Provinces, cities and municipalities strictly implement the FDP & undertake the necessary activities to earn the SGLG

OBJECTIVES/ RESULTS	0 TO 10-PT. SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		ANNUAL PLAN TARGETS						END OF PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
			Percentage of newly elected LCEs (provinces, cities and municipalities) who underwent training for Newly Elected Officials (NEO) prior to assumption of office increased	2015								100%	Agency and LGU reports	DILG, LGUs	All LCEs attend the trainings for newly elected officials (NEO)
			Percentage of LCEs (provinces, cities and municipalities) with Executive-Legislative Agenda increased	2015								*	Agency and LGU reports	DILG, LGUs	All LCEs attend the trainings for newly elected officials (NEO)

OBJECTIVES/ RESULTS	0 TO 10-PT. SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		ANNUAL PLAN TARGETS						END OF PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
			Percentage of LGUs (cities and municipalities) trained on the Business Permit and Licensing System	2015								100%	Agency and LGU reports	DILG, DTI, LGUs	Participants religiously apply the system (business permit processing time and signatories reduced)
			Percentage of targeted number of agencies accredited under CSC Agency Accreditation Program increased	2015								*	Agency report	CSC	Government agencies cooperate with the accreditation process
			Percentage of accredited agencies awarded with the Program to Institutionalize Meritocracy and Excellence in Human Resource Management (PRIME-HRM) increased (%)	2015								*	Agency report	CSC	Government agencies cooperate with the accreditation process



OBJECTIVES/ RESULTS	0 TO 10-PT. SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		ANNUAL PLAN TARGETS						END OF PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
			Percentage of monitored agencies compliant with RA 9485 (Anti-Red Tape Act) increased (%)	2015								*	CSC-Report Card Survey results, agency report	CSC	Agencies strictly observed the provisions in RA 9485
			Percentage of government agencies with ISO-9001 certified Quality Management Systems increased	2015								*	Agency report	CSC	Government agencies aim for the ISO-9001 Certification; CSC recognizes ISO:9001 certified agencies
Subsector Outcome 3:  Citizenry fully engaged and empowered	Agenda 3 & 7	Goals 16 & 17	Percent of barangays implementing the 'MASA MASID' Program	2016	0								Agency and LGU reports	DILG, LGUs	Barangays understand the mechanics of MASA-MASID implementation
	Agenda 3 & 4	Goals 16 & 17	Percentage of provinces, cities, municipalities & barangays									*	DILG and LGU reports	DILG, LGUs	LCEs strongly support the organization of local

OBJECTIVES/ RESULTS	0 TO 10-PT. SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		ANNUAL PLAN TARGETS						END OF PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
			with at least three functional local special bodies (LSBs):												special bodies
			Local Development Council	2015	84%							90%			
			Local Peace and Order Council	2015	96%							100%			
			Anti-Drug Abuse Council	2015								100%			
			Local Disaster Risk Reduction and Management Council	2015								*			
			Percentage of LGUs compliant with the 25% CSO participation in the LDCs increased	2015								100%	Agency & LGU reports	DILG, LGUs	LGUs understand the rationale on the mandated 25% CSO participation in the LDCs

OBJECTIVES/ RESULTS	0 TO 10-PT. SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		ANNUAL PLAN TARGETS						END OF PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
		Goal 5, 16 & 17	Percent of LGUs compliant with RA 9710 (Magna Carta of Women)	2015								100%	Agency & LGU reports	DILG	LGUs understand the rationale on the mandated 25% CSO participation in the LDCs
	Agenda 7	Goal 16 & 17	Citizen Participatory Audit institutionalized in _% of government entities	2015								*			
	Agenda 7	Goal 17	Percentage of NGAs under the Executive Branch with FOI manuals achieved (%)	2015		100%						100%			
			Percentage of NGAs & GOCCs fully on-boarded in the eFOI website achieved (%)	2016		100%						100%			

OBJECTIVES/ RESULTS	0 TO 10-PT. SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		ANNUAL PLAN TARGETS						END OF PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
			Percentage of NGAs & GOCCs fully on-boarded in the data.gov.ph portal increased (%)	2016		100%						100%			
Subsector Outcome 4: LGU dependency on IRA reduced	Agenda 2 & 3	Goal 11	Percentage of LGUs with updated Local Revenue Codes (LRCs)	2015								*	Agency & LGU reports	BLGF, LGUs	LCEs strongly support the need to update the LRCs
			Percent of LGUs with updated Schedule of Fair Market Values (FMVs)	2015								*	Agency & LGU reports	BLGF, LGUs	LCEs strongly support the need to update the LRCs
			Percentage of LGU collection efficiency from local sources increased:	2016								90%	Agency & LGU reports	BLGF, LGUs	LCEs strongly support local tax reforms; Close coordination between the local planning, legislative &
			Real property Taxes (in PHP billion)	2016	1.014	1.081	1.082	1.082	1.083	1.083	1.083				

OBJECTIVES/ RESULTS	0 TO 10-PT. SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		ANNUAL PLAN TARGETS						END OF PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
			Business & Other Taxes (in PHP billion)	2016	1.573	1.580	1.581	1.582	1.582	1.583	1.584				executive bodies
			Fees and Charges (in PHP million)	2016	589.3	590.4	591.1	591.6	592.3	692.9	593.6				
			Economic Enterprises (in PHP billion)	2016	1.515B	1.566	1.568	1.570	1.572	1.574	1.576				

*\*For those indicators with no targets, the concerned agency will determine through the RDC-X Macro Committee*



06

Pursuing Swift and  
Fair Administration  
of Justice





## Chapter 6

# Pursuing Swift and Fair Administration of Justice

To counter the perceived lack of due process in the administration of justice, the region shall push for swift and fair administration of justice and make it instrumental in giving the citizenry the stable, secure, and comfortable life it wants. There is a need to shift government's methodology of delivering justice from the traditional "individual and institution-based" to a "sector-based" approach.

The Justice sector institutions/agencies/stakeholders shall be well-coordinated in delivering justice in real time when needed and as needed.

## Assessment

### *Enhancing access to justice systems*

Measures to expedite administration of justice have been in place. The government has its judicial machineries such as courts, prosecutors, law enforcers and other support groups that are essential in ensuring a favorable business environment. The Public Attorney's Office, for instance, extends free legal services to indigents or to their immediate family members in civil,

administrative, labor and criminal cases. Its services include judicial and quasi-judicial representation, mediation and counseling, jail visitation, inquest assistance, miscellaneous legal advice and documentation.

Newly-filed cases in Regional Trial Courts (RTCs) posted an annual average growth rate of 3.04 percent in 2008-2011 (Table 6.1).

**Table 6.1 Number of Newly-Filed Cases in Regional Trial Courts, Philippines, 2008-2011**

YEAR	CASES FILED IN RTCS
2008	167,181
2009	164,952
2010	175,847
2011	182,915
<b>Average number of newly-filed cases (2008-2011)</b>	<b>172,724</b>
<b>Average Growth Rate (2008-2011)</b>	<b>3.04%</b>

Source: [http://nap.psa.gov.ph/beyondthenumbers/2013/06132013\\_jrga\\_courts.asp#table1](http://nap.psa.gov.ph/beyondthenumbers/2013/06132013_jrga_courts.asp#table1)

The court caseload of regional trial courts recorded six-digit figure, constantly recording more than half a million of caseloads averaging 553,242 in 2005-2010.

Yet, court-case disposition rate remained at less than one percent which indicates an increasing court backlog (Table 6.2).

**Table 6.2 Court Caseload and Disposition Rate of Regional Trial Courts, Philippines, 2005-2010**

YEAR	CASELOAD	DISPOSITION RATE
<b>2005</b>	541,836	0.79
<b>2006</b>	548,317	0.79
<b>2007</b>	550,370	0.68
<b>2008</b>	549,261	0.81
<b>2009</b>	562,751	0.82
<b>2010</b>	566,917	0.75
<b>Average</b>	553,242	0.77
<i>Notes:</i> <ul style="list-style-type: none"> <li>• Court caseload refers to the summation of the cases pending at the end of the preceding period and case inflow during the reference period.</li> <li>• Court-case disposition rate is the ratio of total cases decided/resolved over total cases filed in a year. A ratio of less than 1 indicates an increasing backlog; greater than 1, decreasing backlog; and equal to 1 means that the backlog is being maintained.</li> </ul>		

Source: [psa.gov.ph](http://psa.gov.ph)

As of September 2015, population in jails under the Bureau of Jail Management and Penology (BJMP) in the region reached 3,706. This is 41 percent more than the jail population of 2,626 in 2010. With a standard capacity of 4.7 square meter space per inmate for a total cell area of 4,751.48 square meters, the 22 BJMP-manned jails in the region posted a congestion rate of 267 percent (3,706 inmates were accommodated as against the holding capacity of 1,011 inmates).

The rehabilitation programs are available to cater to the physical, intellectual and spiritual needs of the inmates to prepare them for later reintegration into the mainstream society.

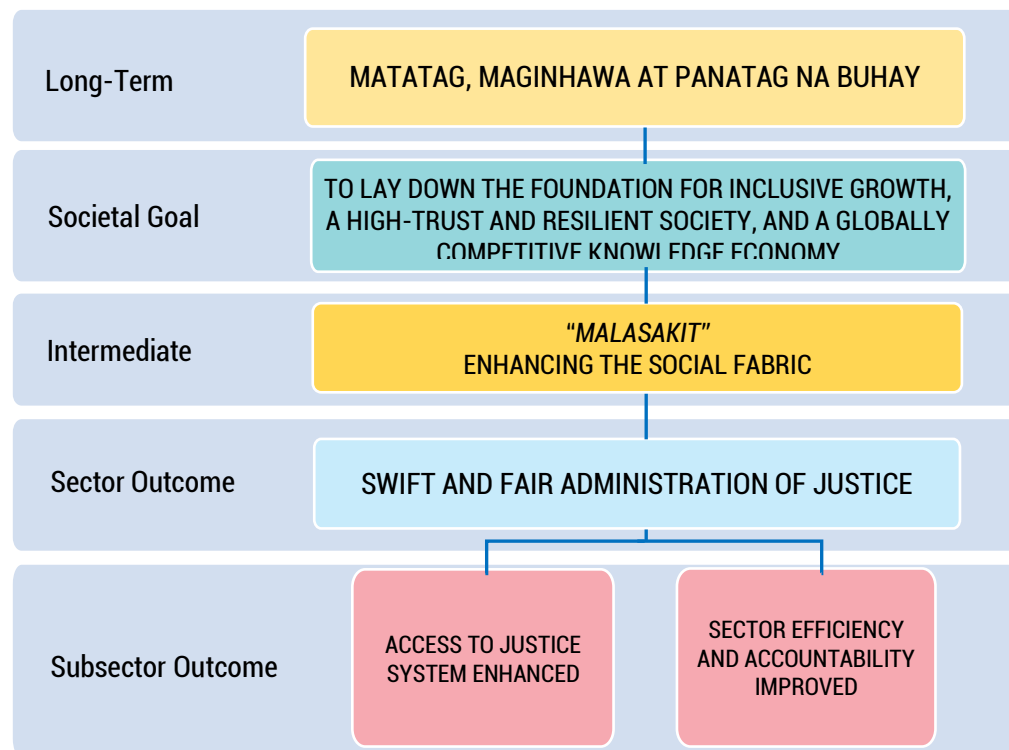
## Challenges

- 1) Coordinative mechanisms to ensure swift and fair administration of justice needs revisiting. The time to deliver judgments has to be shortened, make procedures more effective and ensure that judgments are issued within a reasonable time;
- 2) Courts and judges to handle and fast-track the resolution of cases are limited resulting to delays in the prosecution of cases; and
- 3) Offenders have increased yet jails to accommodate them are congested.

## Strategic Framework

The public shall have greater confidence towards the justice system including all entities involved in the process of criminal and civil law. Law enforcers and prosecutors shall work together towards gripping offenders at an early stage and focusing on preventing crime and offenders from committing the same. Justice shall be delivered without delay, reliable in delivering punishment and reparation in accordance with the law and public expectation.

*Figure 6.1 Strategic framework for pursuing swift and fair administration of justice*



### *Subsector outcome 1. Access to justice system enhanced*

#### **Litigation of criminal cases fast-tracked**

With the increasing number of lawsuits, effective and transparent administration of justice shall raise public confidence in the justice system. Disposition rate of all criminal cases shall be increased. Resolution of cases especially those which are still pending in courts shall be fast-tracked. Shortage of courtrooms shall be addressed.

### *Subsector outcome 2. Sector efficiency and accountability improved*

#### **Law enforcement services improved**

Proper coordination with law enforcement agencies shall be ensured to strengthen the prosecution of cases. Capacity building and enhancement activities shall be conducted for law enforcers especially on the proper conduct of investigations, protocols, law enforcement rules, and litigation processes. Verbal and written communication skills shall be enhanced to develop and ensure continuing rapport with the public, colleagues and informants. The knowledge, skills and abilities (KSA) of law enforcers on the preparation of investigative reports and clearances shall also be enhanced.

Support systems shall be strengthened. Police offices shall be improved, rehabilitated or constructed and the training facilities shall likewise be provided.

#### **Alternative dispute resolution strengthened**

With very limited number of courts and prosecutors, high cost of litigation, and congestion of various cases, the resolution of disputes outside the courtroom shall be strengthened. Alternative dispute resolution (arbitration/mediation) shall be encouraged at the local level. As such, parties involved are given the chance to control the process and the solution.

To promote the speedy resolution and disposition of cases, amicable settlement of disputes shall be encouraged. The “Katarungang Pambarangay” system shall be strengthened by providing the needed budgetary allocation to minimize indiscriminate filing of cases in courts, minimize court dockets and decongest jails. Force multipliers (barangay tanods, peace and order action teams, etc.) shall also be capacitated and provided with incentives as needed.

#### **Jails decongested**

Aside from strengthening alternative dispute resolution, the present congestion of jails in the region shall be addressed to provide humane spaces for the inmates, avoid opportunities of jail violence and reduce the number of jail disturbances and escapees. Having to fight for air and space due to overcrowding breeds diseases, breaks down discipline, and cause or exacerbate tensions.

Prosecution of cases shall be fast-tracked. Processing of LGU land transfers for BJMP

facilities shall be expedited so that more jails and prison cells can be constructed in all districts or where needed. The existing structures shall be rehabilitated. All jails shall be complete with standard facilities and staff complement. Jail services shall be enhanced.

The number of paralegal volunteers assigned in detention centers shall be increased. Closer partnership with jail personnel shall be ensured to fast-track interviews with inmates who may qualify for probation or parole or executive clemency.

### **Corrections improved**

Jail management shall be improved. Policies relating to the implementation of jail management services (e.g. roles of the local governments and the BJMP including support structure and funds) shall be reviewed and clarified.

Jail services shall be professionalized and correctional officers shall be trained to ensure safekeeping of inmates. Jail services should not be focused only on security and safekeeping of inmates but also of rehabilitating inmates and parolees. There shall be more medical personnel, psychologists, psychiatrists, social workers,

therapists, chaplains to attend to the needs of the inmates as the case may be.

Capacity-building and enhancement trainings shall be continuing for corrections/jail officers and personnel on the mandated functions of safekeeping and development of jail services.

To improve probation and parole services, the Volunteer Probation Assistants (VPA) program shall be strengthened. The parole and probation officers and volunteer probation assistants shall be continuously trained to enhance their knowledge, skills and work attitudes. Recruitment of the VPAs in the barangays/communities shall be continuing to amplify the parole and probation services and to generate wider public support to parole and probation programs.

Restorative justice programs shall be strengthened. Effective utilization of the processes of Victim-Offender Mediation, Family/Community Conferencing, and Circle of Support to repair the moral and physical damages done after crimes shall be ensured.

Community-based corrections and after-care interventions shall be supported by the citizenry for successful reintegration of probationers and parolees into the mainstream society to prevent them from recommitting the same or another offense.

## **Legislative Agenda**

To fast-track the litigation of cases, more courts shall be created based on corresponding increase in population per district/area/province. The fund support

for the existing courts shall be increased to respond to the required number of personnel and equipment.

## Results Matrix

*Table 6.3 Results matrix for pursuing swift and fair administration of justice*

OBJECTIVES/ RESULTS	0+10-PT. SOCIO- ECONOMIC AGENDA	SDG	INDICATOR	BASELINE		ANNUAL PLAN TARGETS						END OF PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
Societal Goal: To lay down the foundation for inclusive growth, a high-trust and resilient society, and a globally competitive knowledge economy															
Intermediate Goal: Enhancing the social fabric															
Sector Outcome: Swift and fair administration of justice															
Subsector Outcome 1:  Access to justice systems enhanced	Agenda 7 & 9	Goal 16	Disposition rate of all cases increased (%)	2015								*	Court records, agency report	DOJ	Recording of cased filed and resolved is regularly updated.
Subsector Outcome 2:  Sector efficiency and accountability improved	Agenda 7 & 9	Goal 16	Percentage of cases filed in courts reduced (%) to be referred to and discussed further with DOJ-RPO	2015								*	Court records, agency report	DOJ	Recording of cases filed is regularly updated.

OBJECTIVES/ RESULTS	0+10-PT. SOCIO- ECONOMIC AGENDA	SDG	INDICATOR	BASELINE		ANNUAL PLAN TARGETS						END OF PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
			Percentage of inmates in jails reduced (%)	2015								*		BJMP	Law enforcers are trained
			Prison cell-inmate ratio improved	2015								*		BJMP	Funds for jail construction/rehabilitation or improvement are available.

*\*For the indicators with no targets, these will be determined and deliberated by the concerned agencies in the RDC-X Macro Sector Committee*





07

Promoting the  
Philippine Culture  
and Values



## Chapter 7

# Promoting the Philippine Culture and Values

The rich culture of the Philippines is a combination from the varied Eastern and Western cultures. The country's customs and traditions are strongly influenced by its past colonizers, particularly the Spaniards and the Americans. Before that, however, the Philippine culture was mainly influenced by the indigenous Malay heritage of Southeast Asia. Today, although few in numbers, the indigenous peoples (IPs) in the country preserve a very traditional way of life and culture.<sup>1</sup>

The Philippine values is defined by the way Filipinos live their life as influenced by one's culture. For the Philippines, being an archipelago has not become a hindrance towards having a single value system throughout the country<sup>2</sup>. The Filipinos share common core values that have originated from our forefathers. Among the Filipino core values is *malasakit* - a "cultural value that uniquely defines how a Filipino values others. It is compassion, accountability, ownership, and putting one's interest behind others all rolled into one."<sup>3</sup> It is closely translated to English as care, concern, or solicitude for other people.

As with any society though, the values that an individual holds sacred can differ on the basis of religion, upbringing and other cultural factors. Despite these differences, however, the Filipino values are generally centered at maintaining social harmony, motivated primarily by the desire to be accepted within a group<sup>4</sup>. While the Filipinos, in general, have common values, the country's diverse cultures, particularly those of the Indigenous Peoples (IPs), are what set us unique from each other. Indigenous peoples are those with a social or cultural identity distinct from the dominant or mainstream society, a fact that makes them vulnerable to being disadvantaged in the processes of development.<sup>5</sup> To sustain socioeconomic development and ensure inclusive growth, the government needs to consider the sensibilities of ethnic diversity and takes on broad issues such as

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<sup>1</sup> Culture of the Philippines (n. d.). In Wikipedia. Retrieved February 1, 2017, from [https://en.wikipedia.org/wiki/Culture\\_of\\_the\\_Philippines](https://en.wikipedia.org/wiki/Culture_of_the_Philippines)

<sup>2</sup> Philippine Core Values (n. d.). In Wikipilipinas: The Hip 'n Free Philippine Encyclopedia. Retrieved February 1, 2017, from [http://en.wikipilipinas.org/index.php/Philippine\\_Core\\_Values](http://en.wikipilipinas.org/index.php/Philippine_Core_Values)

<sup>3</sup> Mallari, Joselito (PMP), April 15, 2014. In LinkedIn. Accessed February 1, 2017, from <https://www.linkedin.com/.../20140415135443-145691153-the-lost-virtue-of-malasakit>

<sup>4</sup> Filipino Values. (n. d.). In Wikipedia. Retrieved February 1, 2017, from [https://en.wikipedia.org/wiki/Filipino\\_values](https://en.wikipedia.org/wiki/Filipino_values)

<sup>5</sup> Asian Development Bank's working definition (as cited in a paper by Gonzales, Eduardo T. (President, Development Academy of the Philippines) on "Managing Diversity in the Philippines: Is Government Working Hard to Provide Services in Equal Ways" presented during the Network of Asia-Pacific Schools and Institutes Of Public Administration and Governance (NAPSIPAG) Annual Conference, Beijing, PRC, 5-7 December 2005. Retrieved November 22, 2016 from <http://www.napsipag.org>

ethnicity, language, culture, religious beliefs and customs, especially with respect to indigenous peoples.

The United Nations Educational, Scientific and Cultural Organization (UNESCO) placed culture at the heart of development policy, declaring that development is inseparable from culture. Thus, mainstreaming principles of cultural diversity and intercultural dialogue, integrating culture into national and local development strategies, enhancing cultural policies and capacity-building activities that advance the cause of social cohesion, peace and development have become major challenges for sustainable development. Further, supporting the development of the cultural sector through creative industries could contribute to poverty alleviation.<sup>6</sup>

The Philippine Development Plan (PDP) acknowledges the critical role of culture in socioeconomic development. The government considers cultural awareness as a requirement for social equity and inclusion - empowering people and communities, encouraging social participation, and fostering an engaged society. Failure to acknowledge the significance of culture in youth development and nation-building could eventually lead to cultural decay and social disintegration.

Promoting and protecting the diverse cultures of Filipinos, thus, nurturing our innate values would translate into an enhanced social fabric – with people becoming more involved, happier, more willing to help one another, and inspired to keep their community a positive and pleasant place to live in. Such conditions will lead to building peoples' trust in the leadership, governance, and each other, paving the way to inclusive and people-centered development.<sup>7</sup>

## Assessment and Challenges

### *Regional profile of cultural communities*

The latest census on the ethnicity on population of the Philippines by province was conducted in 2000. It revealed that majority or about 36 percent of the household population in Region X classified themselves as *Cebuano*. About 35 percent called themselves the *Bisaya*. Other major ethnic groups included the

*Boholanos* (5.4%), the *Maranaos* (5.37%), and the *Hiligaynon* or *Ilonggo* (3.11%). These ethnic groups were widely spread all over Northern Mindanao (Figure 7.1).

Comprising the minority were the natives of the region. Prominent were the *Bukidnons* (3.41%) of the province of Bukidnon (who comprised the third largest ethnic group in the province). Other natives were the *Higaonons* (1.55%) who

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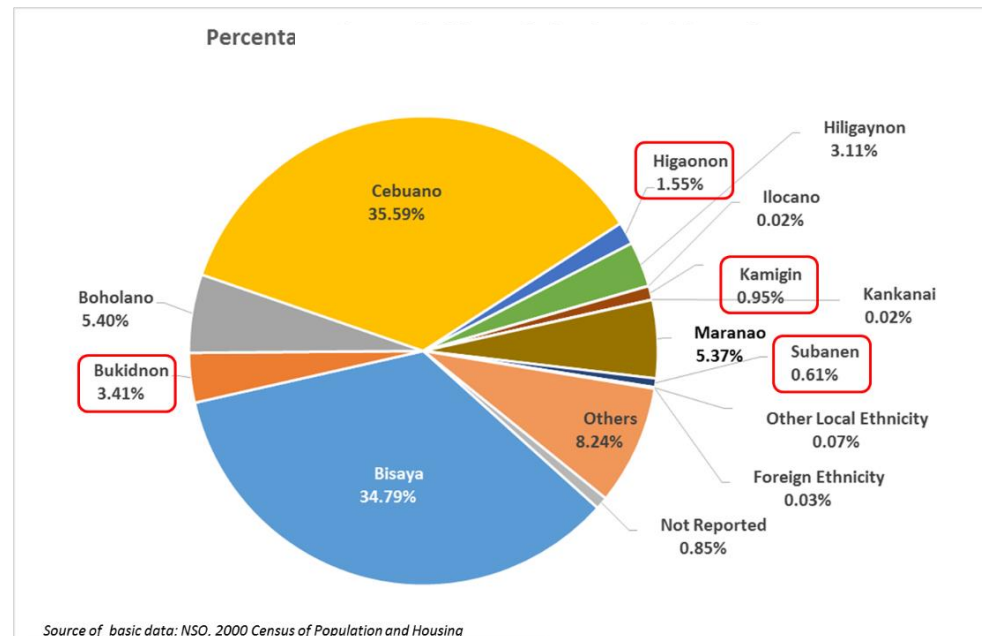
<sup>6</sup> *Culture and Development* (n. d.). United Nations Educational, Scientific and Cultural Organization (UNESCO). Retrieved February 1, 2107, from <http://www.unesco.org/new/en/culture/themes/culture-and-development>

<sup>7</sup> *Philippine Development Plan (PDP)*, 2017-2022

were dispersed in the areas of Bukidnon, Misamis Oriental, Camiguin and Cagayan de Oro City (54% of whom come from Bukidnon); the *Kamigins* or *Kamiguinons* (0.95%) who occupied mostly the province

of Camiguin (81%), and the rest from Misamis Oriental; and few *Subanen* (0.61%) who were inhabitants of Misamis Occidental (Figure 7.1).

**Figure 7.1 Percentage of household population by ethnicity, Region X, 2000**



The indigenous groups in the southern island of Mindanao are collectively called the *Lumad*.<sup>8/9</sup>

The *Lumad* is a term being used to denote a group of non-Muslim indigenous people in Southern Philippines. It is a Cebuano term meaning "native" or "indigenous". The term is short for *Katawhang Lumad*, literally meaning "indigenous people". It is the self ascription and collective identity of the

indigenous peoples of Mindanao. Estimated from the 1996 NSO census of population, Region X had around 1.4 million or 59.7 percent of its 2.4 million total population were considered *Lumads* or IPs.<sup>10</sup> As of 2016, the National Commission on Indigenous Peoples in Region X (NCIP-X) posted the number of IPs to already reach 1.8 million, and are mostly found in the province of Bukidnon.

<sup>8</sup> The autonym was officially adopted by the delegates of the Lumad Mindanao Peoples Federation (LMPF) founding assembly on 26 June 1986 at the Guadalupe Formation Center, Balindog, Kidapawan, Cotabato, Philippines.

<sup>9</sup> Lumad Peoples (n. d.). In Wikipedia. Retrieved November 30, 2016 from [https://en.wikipedia.org/wiki/Lumad\\_peoples](https://en.wikipedia.org/wiki/Lumad_peoples)

<sup>10</sup> Sources of basic data: Total Population, NSO (1996); Estimated IP population, ONCC and OSCC (1989) cited in IBON Facts and Figures, Vol. 24, No. 7, 15 April 2001 (as further cited in Gonzales, E.T., 2005)

The Indigenous Cultural Communities (ICCs) of Northern Mindanao were originally categorized into seven major tribes, namely, *Bukidnon*, *Higaonon*, *Talaandig*, *Matigsalug*, *Umayamnon*, *Manobo*, and *Pulangihon* who all come from the province of Bukidnon. At present, two other tribes, namely, the *Subanen* (the indigenous peoples from the province of Misamis Occidental), and *Kamiguinon* (the IPs coming from the province of Camiguin) were likewise included.<sup>11</sup>

Promoting the Philippine Culture and values in the region is confronted with the following challenges:

*Threatening of cultural decay.* Cultural decay is when a culture no longer holds any value to the youth of the present generation, and is slowly cast aside in favor of new trends.

Republic Act (RA) No. 7356 states that “the level of consciousness of our people about our own cultural values in order to strengthen our culture and to instill nationhood and cultural unity, shall be raised formally through the educational system, and informally through extra-scholastic means, including the use of traditional, as well as modern media of communication.” However, basic assessment of the school curriculum at primary and secondary levels showed that values education has been discarded in favor of developing literacy and skills in other fields. Moreover, mainstream media failed to promote positive values in its pursuit of profit for the market-driven

entertainment industry.<sup>12</sup> Thus, the level of consciousness among the Filipino youth about their own culture and embedded values is slowly being replaced by foreign cultures that they perceived to be better than ours.

In the case of the region’s rich indigenous knowledge, systems, and practices, the customs and traditions of every tribe are distinct from each other. These are handed from one generation to another, and are practiced in their day to day living. Being undocumented, these customs and traditions are at risk of extinction.

*Need to conserve and safeguard the region’s cultural heritage.* The lack of local funds prevents the region to conserve its indigenous traditions and artifacts.

*Lack of sensitivity to cultural diversity.* There is a need to place high regard on diversity and rich cultural contexts in administrative programs, processes, and systems in the government toward a culture-sensitive work environment, and delivery of public services.

*Lack of opportunities for creative expressions.* For one, the region does not have an inventory or database of local talents. Moreover, local artists have limited venue to display their creative arts, which goes the same for indigenous culture, arts, crafts, and music. The region likewise lacks the opportunity to hone local cultural talents because of the absence of a school offering arts-focused education.

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<sup>11</sup> NCIP-X

<sup>12</sup> PDP, 2017-2022

*Abuse of local talents and indigenous knowledge, systems, and practices (IKSPs).* In the creative arts industry, intellectual property rights are not being respected by stakeholders of culture who exploit the local talents through the production and reproduction of arts and crafts without giving royalties to the owners. Cultural protection laws are rendered ineffective by the absence of provision for penalties to be meted out by the appropriate authorities. This concern also revolves around the unethical and exploitative extraction of IKSPs from indigenous cultural communities or repositories of local knowledge.

*Underrepresentation of marginalized cultural communities in local special bodies.* This degrades the quality of implementation and mainstreaming of culture in governance for local policy reforms. Culture bearers, particularly the IPs, are denied of or limited in their rightful representation in local special bodies despite the requirement of a mandatory representative at all levels of planning and decision-making that affect their communities.<sup>13</sup>

is only possible when people are instilled with positive values rooted in one's culture. Enhancing the social fabric toward a high-trust society entails building better relations among people for social cohesion. More and better interactions among members of a community, in turn, require awareness and appreciation of culture and values that drive people's attitude and behavior.

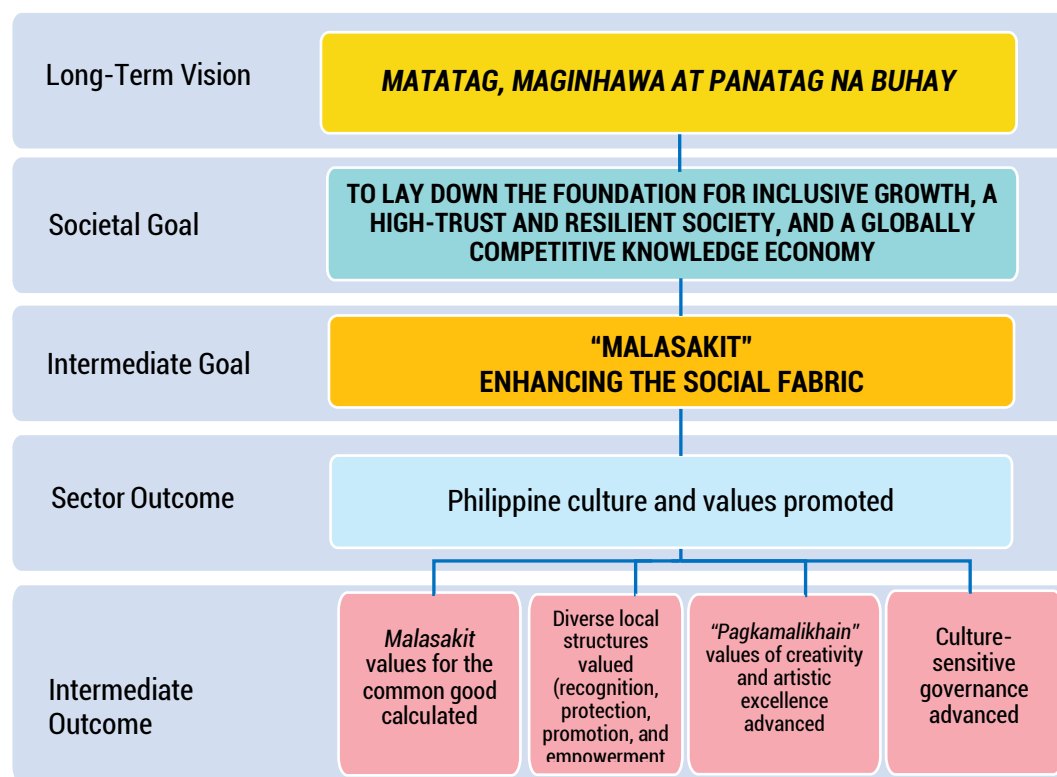
## Strategic Framework

Under the PDP framework's pillar on *malasakit* or enhanced social fabric, the government aims to establish a high-trust society by promoting the Philippine culture and values, and nurturing a culture-sensitive development. A high-trust society

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<sup>13</sup> *Implementing Rules and Regulations of RA 8371; NCIP Administrative Order No. 1 series of 2009*

*Figure 7.2 Strategic framework for promoting the Philippine culture and values*



### *Sector outcome: Philippine culture and values promoted*

This shall focus on ensuring that inclusive social values are enculturated by the Filipino people through creating heightened cultural and social awareness. Thus, people can forge a path of development arising from their own strengths and in their own terms.<sup>14</sup> This could be achieved when the government intensifies its efforts to promote cultural awareness through culture-sensitive legislations that advance artistic expression, as well as strengthen Filipino identity and nationalism.<sup>15</sup>

Government efforts, therefore, shall also be directed toward raising the consciousness of the people about the country's own culture and values. Awareness of its diverse cultures is a requirement for social equity and inclusion as it fosters acceptance and understanding of every Filipino despite the cultural differences. This is to prevent anyone from being a victim of discrimination or be marginalized based on ethnicity, gender, age, physical capabilities, and social status.

<sup>14</sup> Briefing Notes on the Formulation of the Philippine Development Plan (PDP) 2017-2022 during the NEDA Internal Planning Conference, 7 December 2016

<sup>15</sup> Emerging 10++ Social Development Agenda of President Rodrigo R. Duterte, Cultural and Development Agenda Summit, 6 October 2016



### Intermediate outcome 1: “Malasakit” values for the common good inculcated

Instilling *malasakit* values to the children and youth, and the public in general is hoped to bring back the value of care and concern for others. Another significant aspect of the *malasakit* values is the value of *bayanihan* or volunteerism.

The government believes that promoting this Filipino value along with the other values – like, *hiya* (propriety or dignity), *pakikisama* (companionship or esteem), and *utang na loob* (gratitude or solidarity), *kapwa* (togetherness or community), *pakikiramdam* (feeling for another), friendliness, hospitality, religious nature, respect for self and others, respect for the elderly and female members of the society, value for family, and the fear of God – if nurtured, could bring the Filipinos to greater heights because after all, these “values are what make up a certain nation both in growth and unity. Some may see Filipino values as a hindrance to the growth of the country, but others see that these are what make this country powerful.”<sup>16</sup> These Filipino values shall be incorporated in all levels of educational curricula, articulated in the work ethos of government and private institutions, and promoted in community fora and activities.

In addition, the indigenous culture that the region possesses shall likewise be afforded equal importance in raising cultural awareness so as to preclude discrimination based on cultural differences even at a

young age. The idea is to integrate indigenous peoples in the mainstream while retaining their individual cultural uniqueness. Making the children, the youth and the public in general know, understand, and appreciate varying cultures is a significant step towards accepting cultural diversity.

Along this, the sector shall actively and conscientiously make the society and public institutions culturally-aware and culture-sensitive. The following activities shall be primarily undertaken:

- Preparation and distribution of information, education and communication (IEC) materials on culture to all sectors of society; and
- Conduct of culture-sensitivity seminars and other related activities to pupils and students at all levels, as well as to the other civic sectors of society to promote cultural awareness and value cultural diversity.

### Intermediate outcome 2: Diverse local cultures (recognition, protection, promotion, and empowerment) valued

Valuing cultural diversity shall require the recognition, protection, promotion and empowerment of the various cultures in the region, which could be achieved through:

- Establishing strong linkage with local organizations that promote culture through strengthening existing multi-sectoral

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<sup>16</sup> Philippine Core Values (n.d.). In *Wikipilipinas: The Hip 'n Free Philippine Encyclopedia*. Retrieved February 1, 2017, from [http://en.wikipilipinas.org/index.php/Philippine\\_Core\\_Values](http://en.wikipilipinas.org/index.php/Philippine_Core_Values)

partnerships for cultural programs and projects, and forging new ones;

- Improving access to cultural institutions, site, events, and other culture-related activities through sustaining the conduct of cultural events and festivals, and strengthening the conduct of local tours and visit to museums, cultural sites, among others;
- Establishing cultural centers in strategic locations to showcase indigenous culture, arts, crafts, and music, such as the establishment of a Cultural Village in the region, and the restoration and preservation of the Jasaan Immaculate Church that is declared by the National Museum as a national cultural treasure in Northern Mindanao due to its artistic design and cultural values;
- Advocating on cultural diversity through the establishment of IP centers in the region;
- Enhancing conservation and safeguarding of cultural heritage through:
  - Sustaining the existing School of Living Tradition (SLT) of the Talaandig tribe in the region, and the establishment of new SLTs of the other eight tribes in the region, namely, *Bukidnon*, *Higaonon*, *Matigsalug*, *Umayamnon*, *Manobo*, *Pulangihon*, *Subanen*, and *Kamiguinon*;
  - Establishing a regional School of the Arts in Northern Mindanao;
  - Establishing the Iligan City Museum, and the

improvement of the Gingoog City Museum;

- Establishing a tribal center at Barangay Rogongon, Iligan City, including the institutionalization of the School of Indigenous Knowledge, Arts and Traditions (SIKAT);
- Supporting the development of growth centers that will showcase the cultural diversity of the communities in the region through the establishment of a special growth center within the Iligan-Lanao del Norte- Lanao del Sur Triangle, turning the cultural mix among Christians, Muslims, and indigenous tribes in these areas into a strong foundation for forging the continued development of the region;
  - Documenting the indigenous knowledge systems and practices (IKSPs) and other local artistic expressions; and
  - Documenting the history of the localities.

### Intermediate outcome 3: "Pagkamalikhain" values of creativity and artistic excellence advanced

Support young and developing local artists and contemporary and new forms of artistic expression through:

- Establishing an inventory or database of local talents;

- Formulating a policy on the establishment of a regional mechanism for the recognition and protection of artists (visual arts, performing arts, music, and literary);
- Strengthening the protection of owners of IKSPs and other artistic expressions through the Intellectual Property Rights; and
- Conducting local exhibits and local shows to display creative arts.
- Strengthening the capacity development for Indigenous Peoples Mandatory Representatives (IPMRs);
- Issuance of local ordinances toward a culture-sensitive work environment, and delivery of services; and
- Integrating culture, and mainstreaming culture-sensitivity in the formulation or updating of local development plans.

#### *Intermediate outcome 4: Culture-sensitive governance advanced*

The regional presence of the National Commission for the Culture and Arts (NCCA) is believed to ensure the promotion and valuing of cultural diversity in the region. Thus, the establishment of a regional desk or field office of the NCCA in Northern Mindanao is highly recommended.

Moreover, the sector shall enjoin local administrators and regional line agency heads to put high regard on diversity and rich cultural contexts in administrative programs, processes, and systems through:

- Conducting culture-sensitivity trainings to officials and employees of the LGUs and regional line agencies;
- Strengthening the implementation of the DILG Memorandum Circular No. 2002-81 on the creation of Local Culture and the Arts Councils;

# Results Matrix

*Table 7.1 Results matrix for promoting the Philippine culture and values*

OBJECTIVE/ RESULT	0 TO 10- POINT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		TARGET						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTION AND RISK
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
Societal goal: Enhancing the social fabric															
Sector outcome: Philippine culture and values promoted															
Intermediate outcomes:															
1. <i>Malasakit</i> values for the common good inculcated	Agenda 8	Goal 16	Schools conducted with culture-sensitivity trainings (%)	2016	nd	5%	5%	10%	10%	10%	10%	50%	Annual agency reports	DepEd-X	Schools, LGUs, agencies and the civic sector support the objective of the activity.
				2016	nd	5%	5%	10%	10%	10%	10%	50%		CHED-X	
				2016	nd	5%	5%	10%	10%	10%	10%	50%		TESDA-X	
			LGUs conducted with culture-sensitivity trainings (%)	2016	nd	5%	5%	10%	10%	10%	10%	50%		NCIP-X DILG-X LGUs	
			RLAs conducted with culture-sensitivity trainings (%)	2016	nd	5%	5%	10%	10%	10%	10%	50%		CSC-X RLAs	

OBJECTIVE/ RESULT	0 TO 10- POINT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		TARGET						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTION AND RISK
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
			Cultural-sensitivity trainings with other civic sectors conducted annually (Number)	2016	4	1	2	2	2	2	2	11		NCIP-X	
2. Diverse cultures valued, which would require the recognition, protection, and empowerment of the various cultures in the region	Agenda 8	Goal 16	Multi-sectoral partnerships for cultural programs/projects sustained (Number)	2016	18	18	18	18	18	18	18	18	Annual report from DOT-X	DOT-X	Existing multi-sectoral partners are willing to partner for cultural programs/projects
				2016	2	2	2	2	2	2	2	2	Annual report from NCIP-X	NCIP-X	
			Cultural events and festivals sustained (Number)	2016	30	30	30	30	30	30	30	30	Annual report from DOT-X	DOT-X LGUs	LGUs continue to celebrate existing cultural festivals or events
				2016	1	1	1	1	1	1	1		Annual report from NCIP-X	NCIP-X	
			Tourists/visitors to local museums, cultural sites, etc. increased (Number)	2016	2,376	5,280	6,600	7,920	9,240	10,560	11,880	11,880	Annual report from DOT-X taken from the records from local sites monitored by local tourism offices	DOT-X LGUs	Assumed at 5 tours per day for 22 days per month, and one additional cultural site established per year

OBJECTIVE/ RESULT	0 TO 10- POINT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		TARGET						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTION AND RISK
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
			Local indigenous knowledge systems and practices (IKSPs) and other local artistic expressions documented annually (Number)	2016	5	1	1	1	1	1	1	11	Annual report from NCIP-X	NCIP-X	NCIP-X prioritizes this activity.
			School of Living Traditions (SLTs) established in Region X (Number)	2016	1 (Talaan-dig SLT)	-	1	-	1	-	1	3	Report from NCCA	NCCA	NCCA supports this activity.
			School of the Arts established in Region X (Number)	2016	0	-	-	-	-	-	1	1	Report from NCCA	NCCA	Said project is a priority of NCCA.
			Established cultural or tribal centers showcasing indigenous culture, arts, crafts and music increased annually (Number)	2016	7	8	9	10	11	12	13	13	Annual report from DOT-X and or LGUs concerned	DOT-X LGUs	One additional cultural center established per year; existing cultural

OBJECTIVE/ RESULT	0 TO 10- POINT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		TARGET						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTION AND RISK
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
															centers sustained <sup>1</sup>
			Local history documented (number)	2016	nd	0	2	2	2	2	2	10	Report from LGUs	LGUs	LGUs support this undertaking
3. “Pagkamalik- hain” values of creativity and artistic excellence advanced	Agenda 8		Documented local artists increased (Number)	2016	nd	0	10	15	20	25	30	30	Report from LGUs	LGUs	LGUs support this undertaking
			IPRs provided to local talents increased (number)	2016	nd	0	5	7	10	12	15	15	Agency reports	NCIP-X DTI-X	Local talents apply for IPR.
			Local exhibits to display creative arts conducted annually (Number)	2016	nd	0	1	1	1	1	1	5	Report from DOT/ LGUs	DOT-X LGUs	Agency/ LGUs support this activity.
4. Culture- sensitive governance advanced	Agenda 8	Goal 16	NCCA Regional desk or field office established in Region X (Number)	2016	0	-	-	-	-	-	1	1	Report from NCCA	NCCA	NCCA supports this proposal.
			LGUs with Local Culture and Arts Councils in place increased	2016	nd	0%	5%	10%	10%	10%	10%	55%	Report from DILG-X	DILG-X LGUs	DILG-X and LGUs consider this a priority.

<sup>1</sup> The existing cultural centers include: Museum of Three Cultures; 2) Museo de Oro; 3) La Castilla Museum; 4) Ugmad; 5) MSU-IIT Natural Science Museum; 6) Macapagal Ancestral Home; 7) City Museum; and 8) Cagayan de Oro City Museum

OBJECTIVE/ RESULT	0 TO 10- POINT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		TARGET						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTION AND RISK
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
			Provincial development plans that are culture-sensitive	2016	0	20%	40%	40%	20%	-	-	100%	Agency report	NEDA-X	LGUs update development plans and support this strategy.
			Culture-sensitive local development plans (%)	2016	nd	0%	5%	5%	10%	10%	10%	50%	Agency reports	DILG-X NCIP-X LGUs	LGUs update development plans and support this strategy.

*nd: no data*



PART III

# **INEQUALITY- REDUCING TRANSFORMATION ("PAGBABAGO")**





08

Expanding Economic  
Opportunities in  
Agriculture, Forestry,  
and Fisheries



## Chapter 8

# Expanding Economic Opportunities in Agriculture, Forestry and Fisheries

The agriculture, forestry and fisheries (AFF) sector is essential in facilitating growth and reducing inequality. This is due to its critical role in providing livelihood to more than third of the region's labor force, especially among the poor farmers and fisherfolk in the rural areas. The sector is also key in providing raw materials to the manufacturing and service sectors in expanding their respective agro-processing business ventures, which would eventually create more stable employment in the region. During the plan period, interventions shall be directed towards increasing opportunities that shall benefit and stimulate participation of small farmers and fisherfolk in increasing their income and improving their standard of living.

## Assessment

The overall agricultural and fishery production grew by 24.1 percent from 8.6 million metric tons in 2010 to 10.7 million metric tons in 2015 (Table 8.1). However, the share of agriculture, forestry, and fishery (AFF) in the total gross domestic product at constant 2000 prices declined from 26 percent in 2010 to 23 percent in 2015 and posted the lowest GVA growth of only 3.9 percent from 2014 to 2015 (Table 8.2 and Table 8.3). Despite the lackluster performance, the sector continues to play an important role in economic development and poverty reduction in the region as the key driver of the economy in the rural areas. Poverty incidence remains high among the marginalized farmers (from 54.9% in 2009 to 55.1% in 2012) and fishermen in the region.

**Table 8.1 Agriculture and fisheries production (in thousand metric tons), Region X, 2010 and 2015**

COMMODITY	2010	2015	% CHANGE
Crops	8,144.395	10,151.706	24.65
Palay	586.442	725.120	23.65
Corn	1,153.239	1,216.302	5.47
Coconut	340.923	460.927	35.20
Sugarcane	2,549.197	3,397.725	33.29
Banana	1,702.392	1,832.173	7.62

COMMODITY	2010	2015	% CHANGE
Pineapple	1,067.608	1,468.387	37.54
Other minor crops	744.594	1,051.072	41.16
Livestock and Poultry	343.418	419.666	22.20
Fisheries	160.602	163.646	1.90
<b>Total</b>	<b>8,648.415</b>	<b>10,735.018</b>	<b>24.13</b>

Source of basic data: PSA-X

*Table 8.2 Agriculture, forestry and fisheries GVA share to GRDP (at constant 2000 prices, in percent), Region X, 2010-2015*

SECTOR/SUBSECTOR	2010	2013	2015	AVERAGE 2010-2015
Agriculture, forestry and fisheries	25.85	24.3	23.0	24.38
Agriculture and forestry	22.7	20.5	20.0	21.06
Fishing	3.2	2.8	3.0	3.0

Source of basic data: PSA-X

*Table 8.3 Gross Regional Domestic Product (GRDP) growth rates by industrial origin (at constant 2000 prices, in percent), Region X, 2010-2015*

SECTOR/SUBSECTOR	10-11	12-13	13-14	14-15
Agriculture, forestry and fishing	6.5	3.2	3.2	3.9
Industry Sector	6.7	6.8	9.0	4.3
Service Sector	4.6	5.5	8.0	7.4
<b>Gross Domestic Product</b>	<b>5.8</b>	<b>5.3</b>	<b>7.2</b>	<b>5.5</b>

Source of basic data: PSA-X

Between 2014 and 2015, the sector registered as the second major source of employment, sharing 38 percent of the total employed population. However, the sector remains lowest in terms of labor productivity (at constant 2000 prices), registering only PHP85,880 in 2015 compared that of the industry and service sectors, which registered PHP385,104 and PHP123,871, respectively. (Table 8.4)

*Table 8.4 Employment and labor productivity by sector, Region X, 2015*

SECTOR	NUMBER OF EMPLOYED PERSONS (IN '000)	PERCENT SHARE	LABOR PRODUCTIVITY (PHP AT CONSTANT 2000 PRICES)
Agriculture, forestry and fishing	759	38.16	85,880
Industry Sector	250	12.57	385,104
Service Sector	980	49.27	123,871
<b>Region X</b>	<b>1,989</b>	<b>100.00</b>	<b>142,402</b>

Source of basic data: PSA-X

## Crops

### Palay

Over the five-year period, palay production grew by 23.6 percent, from 586,442 metric tons in 2010 to 725,120 metric tons in 2015. However, compared to the 2015 and 2016 (end of plan) targets, palay production fell short by 10 and 14 percent, respectively. The inability to meet the target and demand from increasing rice consumption is attributed to relatively low yield, low cropping intensity, high post-harvest losses, and damage due to severe weather conditions, such as floods, typhoons, and the El Niño phenomenon. (Tables 8.1 and 8.5)

The average yield increased by 8.3 percent from 4.09 MT/Ha. in 2010 to 4.43 MT/Ha. in 2015. Bukidnon posted the highest yield at 4.52 MT/Ha., followed by Lanao del Norte at 4.34 MT/Ha. Although there was an increase in rice productivity between 2010 and 2015, the region's yield of 4.43 MT/Ha. in 2015 is still below the 2016 target, and the ASEAN potential productivity of 6.3 MT/Ha. (Table 8.5 and Figure 8.1) This could be attributed to inadequate support infrastructure, such as farm-to-market roads (FMR), irrigation systems, post-harvest facilities, and access to agricultural services, among others.

**Table 8.5 Palay production performance, by province, Region X, 2010 and 2015**

PROVINCE	HARVEST AREA (HAS.)		AVE. YIELD (MT/Ha.)		PRODUCTION (MT)		% CHANGE (2015/2010)	
	2010	2015	2010	2015	2010	2015	YIELD	PRODUCTION
Bukidnon	80,561	96,661	4.18	4.52	336,512	436,575	8.13	29.74
Camiguin	606	653	3.68	4.02	2,231	2,623	9.24	17.57
Lanao del Norte	37,630	40,042	3.85	4.34	144,755	173,586	12.73	19.92
Misamis occidental	18,113	20,198	4.26	4.33	77,080	87,467	1.64	13.48
Misamis Oriental	6,414	6,201	4.03	4.01	25,864	24,869	-0.50	-3.85
<b>Total</b>	<b>143,324</b>	<b>163,755</b>	<b>4.09</b>	<b>4.43</b>	<b>586,442</b>	<b>725,120</b>	<b>8.31</b>	<b>23.65</b>
End-of-plan target (2016)			4.95		838,100			
2015 accomplishment rate against 2016 target (%)			89.46		86.52			

Source of basic data: PSA-X; RDP-RM, 2013-2016

Rice sufficiency level was at 80.6 percent, 11.1 percentage points higher than the 69.5 percent in 2010, but lower by 3.4 percentage points of the 2015 target, and 19.4 percentage points lower than the

RDP's 100 percent target. Hence, the region still imports rice from other parts of the country and from other ASEAN countries to cover the periodic shortages (Table 8.6).

**Table 8.6 Rice and corn sufficiency levels (In percent), Region X, 2010 and 2015**

COMMODITY	2010 (ACTUAL)	2015 (ACTUAL)	PLAN TARGET BY 2016	DIFFERENCE IN PERCENTAGE POINTS (2015- 2010)	DIFFERENCE ( 2015 ACTUAL – 2016 PLAN TARGET)
Rice	69.5	80.6	100	11.10	-19.4
Corn	95.3	133	77	37.70	56.0

Source of basic data: PSA-X

### Corn

Corn production grew by 5.5 percent between 2010 and 2015. The total production of 1,216,302 metric tons in 2015 was 18 percent lower than the RDP target for the year, and 22 percent lower than the end-of-plan target. Corn productivity level in 2015 was two percent higher than the 3.15 MT/Ha. in 2010, but 28 percent lower than the 4.48 MT/Ha target yield in 2016, and of the potential yield based on ASEAN performance. Corn sufficiency level in 2015 was at 133 percent, a remarkable 56 percentage points surplus against the 2015 and 2016 targets (Table 8.6, Table 8.7 and Figure 8.1).

**Table 8.6 Rice and corn productivity levels (in metric tons per hectare), Region X, 2010 and 2015**

COMMODITY	2010	2015	2016 PLAN TARGET	DIFFERENCE (2015-2010)	DIFFERENCE ( 2015 ACTUAL- 2016 PLAN TARGET)
Palay	4.09	4.43	4.95	0.34	-0.52
Corn	3.15	3.23	4.48	0.08	-1.25
White	1.98	2.02	3.04	0.04	-1.02
Yellow	4.39	4.61	5.31	0.22	-0.70

Source of basic data: PSA-X

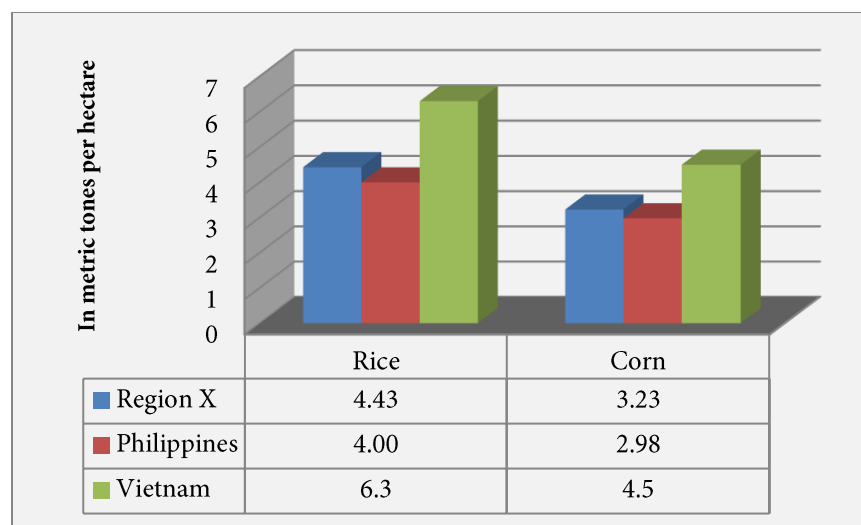
**Table 8.7 Production, and yield and value of corn production, Region X, 2010 and 2015**

COMMODITY	2010	2015	% CHANGE
Production (MT)	1,153,239	1,216,302	5.47
White	372,834	407,259	9.23
Yellow	780,405	809,043	3.67
Area harvested (Ha.)	365,955	377,040	3.03
White	188,112	201,588	7.16
Yellow	177,843	175,452	-1.34
Yield/Hectare (MT/Ha.)	3.15	3.23	2.37
White	1.98	2.02	1.93
Yellow	4.39	4.61	5.08
Value of production (In PHP'000)	12,391,437	14,625,661	18.03
White	3,799,178	5,143,681	35.39
Yellow	8,592,259	9,481,980	10.35
End-of-plan target (2016): Production		1,568,200	
Yield		4.48	
2015 accomplishment rate against 2016 target (%):			
Production		77.56	
Yield		72.01	

Source of basic data: PSA-X; RDP-RM, 2013-2016



**Figure 8.1 Productivity gap, Region X versus Philippines and Vietnam, 2014**



Source of basic data on Philippine figures: PSA-X; Vietnam figures thru [http://www.philrice.gov.ph/wp-content/uploads/2016/08/Book\\_CPRA\\_22June2016\\_3.pdf](http://www.philrice.gov.ph/wp-content/uploads/2016/08/Book_CPRA_22June2016_3.pdf)

### Major crops

Between 2010 and 2015, the combined production of major crops grew by almost 25 percent. The significant increases in pineapple, coconut, sugarcane, and other high value crops dominated the 94 percent share of crops subsector to total agricultural output. Rootcrops and industrial crops posted the biggest increases at 51.4 and 26.2 percent, respectively. Coconut, sugarcane, and pineapple grew by more than 30 percent.

Vegetable production, which posted only 0.13 percent increase from the 2010 level, registered 89 percent and 84 percent accomplishment rates against the 2015 and end of plan targets, respectively. Meanwhile fruit production, which grew by almost 20 percent over the five-year period of 2010-2015 did not fully achieve the 2015 and 2016 targets of 3,571,710 and 3,750,300 metric tons, respectively, due to the El Niño phenomenon and inadequate post-harvest facilities (Table 8.8).

**Table 8.8 Production of other crops, Region X, 2010 and 2015 (in metric tons)**

COMMODITY	2010	2015	% CHANGE
Vegetables	104,605	104,766	0.13
Rootcrops	509,348	771,213	51.41
Fruits	2,846,915	3,402,860	19.53
Industrial crops	2,749,114	3,470,517	26.24
<b>Total</b>	<b>6,210,008</b>	<b>7,749,356</b>	<b>24.79</b>
End-of-plan target (2016):			
Vegetables	124,233		
Fruits	3,750,300		
2015 accomplishment rate (%) against 2016 target:			
Vegetables	84		
Fruits	91		

Source of basic data: PSA-X; RDP-RM, 2013-2016

## Livestock and poultry

Production of the livestock subsector reached 419,666 metric tons in 2015, higher by 22.2 percent than the 2010 level (Table 8.9). The subsector contributed four percent to the total agricultural output. Hog production increased by 24.5 percent between 2010 and 2015. Other livestock components indicated output increments during the five-year period. At constant price, the subsector's gross receipts in 2014 amounted to PHP20.322 billion. This represented a 17.9 percent increment from the 2010 level.

Except for chicken, duck, and swine, the rest of the animals posted declines in inventory as of January 1, 2016 from the 2010 level.

With respect to its 2015 and 2016 targets, the subsector was 13 percent below the 2015 target, and 21 percent below the end of the plan target. This could be attributed to low genetic diversity of native stocks (i.e., large and small ruminants), especially those raised in backyard (smallholder) farms.

**Table 8.9 Livestock and poultry production (in metric tons: live weight), Region X, 2010 and 2015**

ANIMAL TYPE	2010	2015	% CHANGE
Carabao	7,848	8,986	14.50
Cattle	34,430	39,100	13.56
Swine	136,518	170,011	24.53
Goat	6,296	7,613	20.92
Chicken	118,789	146,029	22.93
Duck	1,586	1,850	16.65
Chicken Eggs	34,534	41,841	21.16
Duck Eggs	3,417	4,236	23.97
<b>Total</b>	<b>343,418</b>	<b>419,666</b>	<b>22.20</b>

*Source of basic data: PSA-X*

## Fisheries

The fisheries subsector registered a 1.9 percent increase in output in 2015 from its 2010 level. It shared two percent in the total agricultural production of the region. This was mainly attributed to the positive performances of aquaculture and municipal fishery sectors at 9.7 and 3.1 percent, respectively (Table 8.1). The subsector's

gross earnings reached PHP8.512 billion (at constant 2000 prices) or 27.7 percent higher than the 2010 level.

In terms of volume of production, overall accomplishment rate of the fishery sector in 2015 exceeded the 2016 target by three percent.

**Table 8.10 Fish production (in metric tons), Region X, 2010 and 2015**

SECTOR	2010	2015	% CHANGE	2016 PLAN TARGET	2015 ACCOMPLISHMENT RATE
Commercial	43,565	38,118	(12.50)	37,675	101
Municipal	43,339	44,677	3.09	45,541	98
Aquaculture	73,698	80,851	9.71	75,365	107
<b>Total</b>	<b>160,602</b>	<b>163,646</b>	<b>1.90</b>	<b>158,581</b>	<b>103</b>

*Source of basic data: PSA-X; RDP-RM, 2013-2016*

In the past six years, agriculture and fishery sector was badly affected by calamities. As reflected in the post disaster needs assessment (PDNA) report, the tropical storm “Sendong” which occurred in 2011 brought havoc to Northern Mindanao, affecting almost 8,000 hectares of agricultural land. Total damages in the form of destroyed production areas, infrastructure, and other facilities were estimated at PHP443 million, while production losses reached PHP640 million.

The El Niño phenomenon, which started in the second quarter of 2015 and ended mid-2016, likewise brought adverse effects to agricultural production areas. Based on the Roadmap to Address the Impact of El Niño (RAIN) report, 54 percent or 51,457.71 hectares of the total area planted were severely damaged, registering an estimated loss of about PHP2.412 billion. A total of 75,097 farmers in the region were affected during the calamity, almost 50 percent of whom were from the Province of Bukidnon.

## Forestry

Since 2011, a total of 97,220 hectares have been rehabilitated representing about nine percent of the region’s 1,083,319.27 hectares of forestland. Of the total hectares rehabilitated, 22,058 hectares of forestlands were planted with exotic species and 3,999,677 endemic species to support the region’s wood industry.

Forest production improved significantly in the past five years from a modest production of 29,862 cubic meters in 2011 to about 194,000 cubic meters in 2015. The

increase was attributed to the production of falcata sawlog which constituted about 42 percent of the total forest production in 2015. Relatedly, the production of processed wood (e.g., lumber, veneer, plywood, and block-board) registered a total volume of 248,393 cubic meters in 2015 against the 2011 production of only 122,455 cubic meters. Total value of exported wood products amounted to US\$119.176 million, higher by about 382 percent compared to the 2011 exports value.

**Table 8.11 Net volume, production, and value of exports of forest products, by type, Region X, 2011 and 2015**

COMMODITY	2011	2015	% CHANGE
<b>Forest Products Net Volume (cu. m.)</b>	<b>29,862.18</b>	<b>194,837.89</b>	<b>552</b>
Yemane	4,144.07	26,691.06	629
Falcata	11,127.56	81,098.29	1153
Mahogany	3,144.55	39,391.70	316
Others	11,446.00	47,656.84	552
<b>Processed Wood Production (cu. m.)</b>	<b>122,455.30</b>	<b>248,392.85</b>	<b>103</b>
Lumber/Veener	44,101.96	230,412.65	423
Plywood	74,440.68	12,098.29	-84
Blockboard	3,912.66	5,501.75	41
<b>Value of Exports (US\$)</b>	<b>24,715,535.84</b>	<b>119,176,758.77</b>	<b>382</b>
Finished Products	2,521,166.18	4,395,918.54	74
Lumber	21,172,704.05	114,388,324.23	440
Flitches	1,021,665.61	392,516.00	-62

Source of basic data: DENR-X

In terms of job generation, reforestation programs of the government has generated about 48,295 jobs and employed 7,480 persons. To further protect the forest, the region is off the list of areas with hotspot on illegal logging, and has conducted apprehensions with an accumulated value of PHP14.245 million in 2016.

### ***Agricultural production and infrastructure support***

In 2015, there were 429 farm-to-market roads completed, covering 507.19 kilometers which benefitted 429 farmer groups.

Under the Mindanao Rural Development Program (MRDP), a total of 125 rural infrastructure subprojects, with a total cost of PHP888.89 million, were completed. Likewise, 815 livelihood projects were completed worth PHP252.5 million, benefitting 40,131 groups of farmers in the region.

From 2010 to 2015, a total of 28 small-scale irrigation projects (SSIP) were installed, amounting to PHP81.62 million. These SSIPs covered a service area of 828 hectares, benefitting 1,097 farmers in the region. Meanwhile, construction of 68 SSIPs are on-going, with a total cost of PHP138.85 million and expected to benefit 1,571 farmers. Fund sources include: *Agri Pinoy* Rice; High Value Crops Development Program (HVCDP); Mindanao Rural Development Program (MRDP); Bottoms-up-Budgeting (BuB); and *PAYapa at MASaganang PamayaNan* (PAMANA).

As of March 25, 2016, a total of PHP2,048.65 million worth of subprojects under the Intensified Building-Up of Infrastructure and Logistics for Development (I-BUILD) were approved for Region X under the Philippine Rural Development Program (PRDP). Of the total project cost, PHP1,192.79 million worth of these projects are on-going – under implementation and under procurement – and about PHP855.86 million worth of the subprojects are on the pipeline stage. Infrastructure

projects include farm-to-market roads, potable water system, communal irrigation system, and warehouses in support of I-REAP project in Lanao del Norte.

### ***Coconut industry development***

Continuing rehabilitation of existing and expansion into potential coconut areas have been undertaken in the region. Since 2010, there were 1,296,400 local seedlings distributed to 8,960 farmers. Likewise, 307,622 bags of salt fertilizer as nutrient support to coconut palms, and 1,235 bags of inorganic fertilizers under the Coconut Hybridization Project were distributed to

76,900 coconut farmers. Assessment on the survival rate of coco seedlings under the program is also being undertaken.

The *Kaanib* Enterprise Development Project (KEDP) strengthened the community coconut-based organizations (CCBO) through livelihood assistance. The following were also implemented in the region: a) Coconut Intercropping Project (CIP); b) Coconut Household Level Coconut Processing Project (CHLCP); c) Coconut-Coffee Based Enterprise Development (COCOBED); and Coconut-Cacao Enterprise Development Project (CCEDP).

## ***Agrarian reform support services***

As of 2015, there were 175 agrarian reform communities (ARCs) organized in the region covering 672 barangays. Within these ARCs and Cluster areas, an aggregate of 433 farmer organizations were tapped as conduit of support services delivery.

Between 2010-2016, about 86,090 farmer beneficiaries both in the ARCs and outside the ARC areas were provided with the needed support, such as: a) provision of credit and microfinance services; b) marketing assistance; c) delivery of post-harvest and common service facilities; d) provision of rural infrastructure support projects; e) basic social services; and f) capability building support.

The ARC Connectivity Economic Support Services (ARCESS) Project provided 209 common service facilities (CSFs) in the region. These CSFs, which benefitted 26,274 agrarian reform beneficiaries

consisted of tractors, corn shellers, huskers, dump trucks, and other smaller agricultural implements.

For the period 2010 to 2015, eleven FMR projects with a total length of 53.082 kilometers were constructed and funded under the JICA-assisted Agrarian Reform Infrastructure Support Program (ARISP) III. These FMRs benefitted 4,422 farmers in the nine ARCs, covering the 38 barangays.

Project ConVERGE or Convergence on Value Chain Enhancement for Rural Growth and Empowerment funded by the International Fund for Agricultural Development (IFAD) started its pre-implementation activities in 2016. The infrastructure component of this project includes construction of 6-km FMRs, 15-lm bridges, 19-unit potable water supply systems, and rehabilitation of 18-km FMRs.

Project ConVERGE also includes other components, such as production, processing, and marketing.

The Inclusive Partnerships for Agricultural Competitiveness (IPAC) Project, funded by the World Bank which covers Tudela ARC Cluster of Misamis Occidental, was approved by the NEDA Board's Investment

Coordination Committee (ICC) during the joint Technical Board and Cabinet Committee meeting on June 15, 2015.

With the ongoing implementation of Project ConVERGE and the approval of IPAC project, the opportunity for rural development shall be expanded, benefitting mostly the farmers.

## *Fishery support services*

In its effort to conserve, protect, and sustain the development of the region's fisheries and aquatic resources, the sector achieved the following major accomplishments:

*Reactivation of Panguil Bay Development Council (PBDC).* The PBDC was reactivated through the initiative of the BFAR-X, together with the local government units along the coast of the Panguil Bay and several national government agencies. In 2014, the PBDC was revived to manage the bay, and deliberately halt all forms of illegal fishing activities, including the removal of filter nets, locally known as “*sanggab*”. The same measures were also undertaken in the other critical bays in the region. There were about 2,000 *sanggab* and other illegal-fishing gears removed from the bay. A “*Sanggab-free Panguil Bay*” was declared by the PBDC in November 2015.

*Targeted Action to Reduce Poverty and Generate Economic Transformation (TARGET) Program.* The program is designed to reduce poverty in targeted fishing communities through the provision of comprehensive livelihood packages, including training and skills development, as well as, resource management and protection. During its first year of

implementation, TARGET program benefited 482 poor fisherfolk identified through cross-matched databases of the FishR and National Household Threshold Poverty Registry (NHTPR) of the DSWD. A total of 57 fisheries livelihood development technicians (FLDT) were deployed to assist in validating and socio-economic profiling of the fisherfolk, communities, and resources of the coastal and inland municipalities with fishery resources. Through various livelihood projects, affected fisherfolk were provided with fishing gears, fishing *banca*, marine engines, seaweed farm implements, and fingerlings.

In addition to the livelihood projects, the ongoing establishment of community fish landing centers (CFLCs) was also part of the TARGET Program to improve productivity that would augment the income of fishermen and eventually, enhance their standard of living.

*Intensified enforcement of fishery laws.* Deployment of patrol vessels and capability building of regulatory and enforcement personnel were implemented to strengthen the country's campaign against illegal,

unreported and uncontrolled fishing (IUUF), as well as, intensifying the information, education and communication (IEC) activities of the newly passed law, (i.e., RA 10654), which

amended the Fisheries Code of 1998. Five patrol vessels were deployed in the region to strengthen the seaborne patrol operations for more efficient regulatory activities and quick response to disasters.

## Challenges

The growth potential of the region's agriculture sector remains stunted by constraints and impediments, such as low adoption of technologies on sustainable farming practices, including appropriate farm mechanization, and inadequate infrastructure and logistics support.

The continuing degradation of forests contributes to the low yields in the agricultural productivity. In addition, the inadequate water supply during dry season leads to the reduction of land utilization which aggravates the damage to crops. The impact of typhoons and increasing intensity of flooding during rainy season cause damage to the urban and rural infrastructure. Inefficiencies along the agricultural supply chain and logistics support, likewise resulted to post-harvest losses, higher transaction and distribution costs, and lower productivity. Specifically, other major constraints to the development of the sector included the following:

*Low agricultural productivity.* Limited land productivity is a result of many factors, such as underutilization of land due to water supply issues; low operational efficiency of existing irrigation systems; low adoption of technologies on sustainable farming practices, including appropriate farm mechanization; and high cost of production

inputs, such as fertilizers and pesticides for crops.

Three other factors also contribute to low productivity: 1) lack of access to credit by farm households and small and medium-sized enterprises; 2) inadequate diffusion of mature agricultural technologies due to funding shortages and inappropriate implementation arrangements; and 3) insufficient value-adding activities and weak collaboration with partner LGUs and key stakeholders for a sustainable agri-mechanization.

*Low investment or inadequate funding.* A deficit of rural infrastructure, particularly irrigation works, farm-to-market roads, and post-harvest facilities, is due to inadequate funding for timely rehabilitation and reconstruction of facilities damaged by seasonal floods and typhoons, and other natural hazards.

*Limited access to formal credit and financing and market support.* The limited capital and poor access to credit schemes in the government financial institutions due to collateral and stringent requirements drive small farm holders to avail financing services offered by traders, capitalists, and other private lending firms. Thus, farmers are at the disadvantaged position to command better prices for their produce.



*Declining agricultural areas due to irrational land conversion.* Competing uses of agricultural lands resulted to the premature conversion of prime agricultural lands into residential and commercial uses.

*Limited connectivity (roads and access to information).* The lack of quality rural transport, particularly farm-to-market roads, discourages farmers from increasing production. Farm-to-market roads in the region, specifically in the far flung areas, are mostly gravel and earth roads, the majority of which are barely passable during wet season.

Adoption of new and value-adding technologies by farmers, particularly the smallholders, has been slow due to lack of access to information on production technologies. As a consequence, farmers' knowledge on diversified farming technologies is limited, and market linkages remain weak.

*Weak resilience.* The sector lacks resilience in a number of aspects. It is highly vulnerable to climate change-related hazards, such as floods, typhoons, and droughts. The occurrence of intense rainfall events can cause severe erosion affecting vegetation and slope condition. Longer dry seasons put an additional burden on water supplies for irrigation and seriously impair agricultural productivity.

A number of watersheds in the upper portions of the river basins are under continued threat of deterioration due to the effects of climate change, which poses danger to the stability and sustainability of investments, and economic activities at the downstream of the river basins.

*Low returns to farming and agricultural employment.* Small farm holders, being the lowest income sector, continue with their traditional subsistence-oriented farm production practices instead of engaging in value-adding and entrepreneurial activities that could have resulted in higher net income.

Farmers are also affected by market price volatility. While the government sets the support price for palay, the actual average farm gate price varies from month to month and is usually lower than the government support price. The same is true with vegetables. Since vegetables are perishable in nature and its market is fragmented, the prices are also highly volatile. Small vegetable farmers tend to supply only local traditional wholesale and retail market, while large farmers are able to reap higher returns by becoming part of a wider and more sophisticated supply chains.

*Land tenure insecurity.* The land acquisition and distribution (LAD) program of the DAR has been hampered with the pending approval of the bill extending the issuance of Notice of Coverage (NOC) to landowners with landholdings covered under the CARP. This included those pushed by the CSOs and those with defective NOC served/published or without NOCs, involving 1,468 landholdings and covering 12,987 hectares.

*Illegal and unsustainable fishing practices.* Illegal and unsustainable fishing practices have resulted to marine resource depletion and damages to fisheries. The effects of climate change affecting marine, coastal, and inland environments resulted to



increased uncertainty in the supply of fish both from marine and aquaculture fisheries.

The opportunities for fishery development, especially the valuable and underexploited fish resources, are constrained by weaknesses in the enforcement of RA 8550 (as amended by RA 10654) or the Fisheries Code of the Philippines, which unless addressed in the near future, will inevitably lead to over exploitation and continued theft of the fisheries wealth through illegal, unregulated and unreported (IUU) fishing.

*Inadequate post-harvest facilities for fish catch.* Post-harvest losses are high, and the damage to fish catch resulting from poor handling and inadequate transportation, storage, and processing facilities are also among the major concerns of the sector needing appropriate interventions.

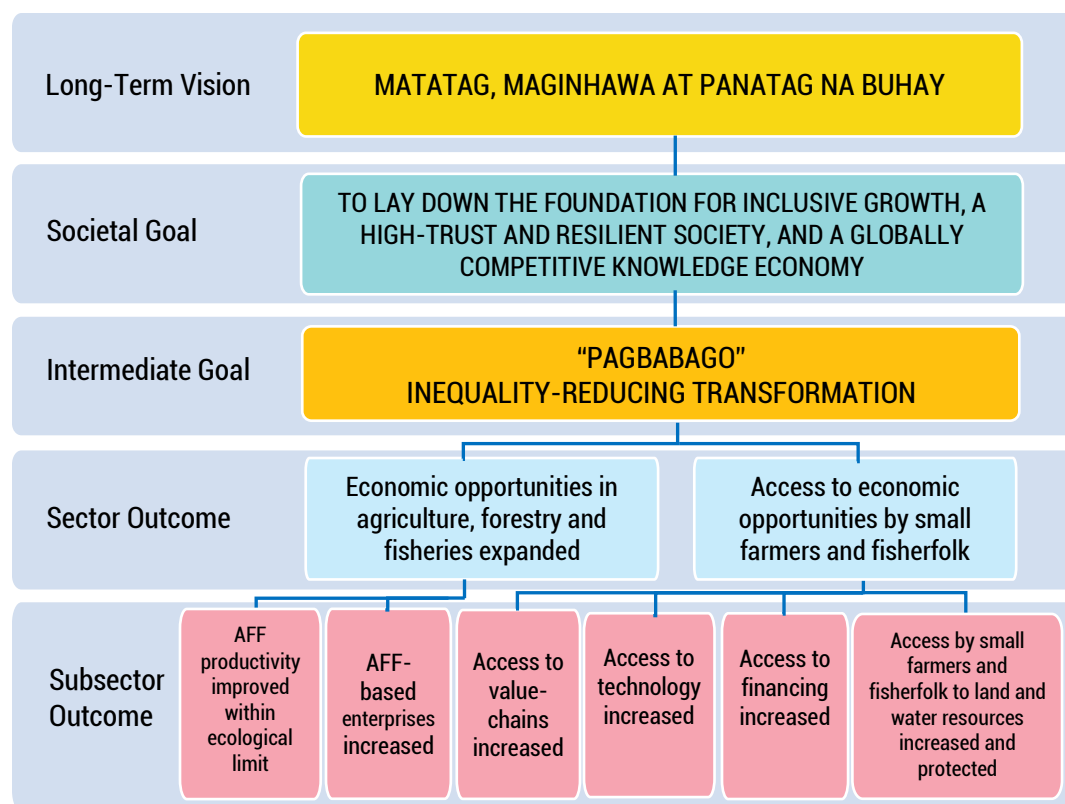
*Threats to forest resources.* Sustainability in forest management and threats to forest resources are some of the challenges of the forestry subsector. Likewise, the following concerns put pressures to the sustainable use of forest resources: 1) Increasing population in search of land to till and forest resources to use; 2) The loss of vital watershed function and loss of biodiversity; and 3) Inadequate forest development, management, and conservation efforts.

# Strategic Framework

The development of the agriculture, forestry and fishery sector shall improve the lives of the people in Northern Mindanao, especially that of the poor who comprised 36.6 percent of the population as of 2015. Interventions shall be vigorously pursued to reduce inequality among the rural population, and to ensure achievement of the two sector outcomes: 1) economic opportunities in agriculture, forestry, and

fisheries expanded; and 2) access to economic opportunities by small farmers and fisherfolk increased. The sector shall implement development programs and projects that will result in greater productivity, access to market and resources both financial and technical, and competitiveness of the marginalized small farm holders and small-scale fisherfolk in the region.

**Figure 8.2 Strategic Framework for expanding economic opportunities in Agriculture, Forestry and Fisheries**



## Sector outcome 1: Economic opportunities in AFF expanded

Economic opportunities shall be expanded through ensuring achievement of the two subsector outcomes: a) AFF productivity improved within ecological limit, and b) AFF-based enterprises increased. Increasing agricultural productivity shall be pursued through the provision of support measures along the entire agricultural value chain, from pre-planting to marketing, which include the use of agricultural equipment; the establishment of supply chains for inputs such as fertilizers, integrated pest management and high yielding seed varieties; installation of irrigation systems, farm-to-market roads, and other infrastructure facilities. The AFF-based enterprises shall be encouraged through enhancement and establishment of agri-processing, marketing, and distribution facilities.

### *Subsector outcome 1: AFF productivity improved within ecological limit*

#### **Strategy 1: Increase investments in rural infrastructures and logistics**

To improve productivity levels, more investments shall be provided to rehabilitate and construct new irrigation and community-based drainage projects, farm-to-market roads, bridges and other infrastructure support facilities in all strategic areas in the region (see Chapter 17 for details).

Opening of new agricultural areas to increase sufficiency levels of major crops

and other agricultural commodities shall also be pursued through the expansion of irrigable areas and utilization of unproductive and upland areas (with 18-50% slope) for agroforestry.

#### **Strategy 2: Enhance production and supply of quality planting materials through coordinated investment in propagation facilities, including LGU-based and community-based seed production system**

Marginal farmers shall be provided with adequate support in the procurement of agricultural inputs (e.g., good seeds, fertilizers, hybrid planting materials, etc.); including the establishment of nurseries, high-yielding coconut seed farm, scion grove farms, etc.; and provision of agricultural extension services.

#### **Strategy 3: Promote sustainable marine, inland, and post-harvest fishery development program including expansion of hatcheries**

The sector shall determine new access to fishing grounds for expansion, establishment and rehabilitation of new and existing fish sanctuaries and coral reefs (including deployment of artificial reefs), as well as promote freshwater fish species for the LGU-operated hatcheries. Implementation of community-based hatcheries shall be enhanced to secure quality fry or seed supply through coordinated investment in propagation facilities. The sector shall pursue development of fish cages, and optimize operation of mariculture parks and multi-hatchery facilities.

**Strategy 4: Institutionalize livestock dispersal among marginalized farmers**

Community-based and LGU-based breeder production farms or multiplier farms shall be established to accelerate genetic improvement program implementation, in coordination with the LGUs and industry players. This will intensify utilization of imported breeding stocks and adoption of artificial insemination (AI).

**Strategy 5: Promote implementation of mangrove or aquasilviculture program**

Ecosystem-based approach in fisheries management shall be adopted, which include a) coastal resource management, b) mangrove reforestation, and c) establishment of more marine protected areas.

**Strategy 6: Strict enforcement of laws or policies against conversion of prime agricultural lands to non-agricultural uses**

The region shall strengthen implementation of the Network of Protected Areas for Agricultural Development (NPAAD) and fast track the updating of land classification, as well as revitalize implementation of Strategic Agriculture and Fishery Development Zone (SAFDZ), including updating of soil fertility and suitability maps.

**Strategy 7: Sustainable management of forest resources**

The region shall continue to manage the proclaimed and legislated protected areas in the region. The focus shall be on the conduct of research and ecotourism

development to generate more employment.

**Subsector outcome 2: AFF-based enterprise increased****Strategy 1: Pursue development on focused high value commodities**

The sector shall promote and implement development program for high value commodities with great potential for value-adding and processing, exports, and market expansion (e.g., abaca, banana, coffee, mango, rubber, cacao, etc.). Model farming community and village-level value adding activities shall be established, and capability building shall be conducted for the farmers and fisherfolk to acquire appropriate skills along processing, packaging and marketing, and compliance with product standards and certification, following the Good Agricultural Practices (GAP) and Good Aquaculture Practices (GAqP).

**Strategy 2: Strengthen transformation of small farmers and fisherfolk into entrepreneurs**

Capacity development for farmer and fisherfolk organizations shall be conducted to build their capacity to engage in commercial agriculture and to link with the market (e.g., processors, enterprises, agro-industries, and agri-tourism linkages).

**Strategy 3: Promote clustering of small-sized farms or implementation of program under a small farm cluster-based approach**

Farmers shall be organized to determine and facilitate consolidation of supply of products and by-products to command higher market price and increase profit. Agri-business and agri-processing centers shall be established in strategic areas in the region identified in the Climate and Disaster-Risk Sensitive Regional Physical Framework Plan 2013-2040 (2015 Update). Fishery-based livelihood and entrepreneurial programs shall also be strengthened in coastal communities.

**Strategy 4: Intensify the monitoring of ARB organizations in ARCs and non-ARC areas, and the coordinative linkages between and among CARP line agencies and the civil society organizations**

This will sustain the initial gains of CARP that include agrarian peace and countryside stability, social justice for ARBs and landowners, and agri-based rural industrialization.

**Sector outcome 2: Access to economic opportunities by small farmers and fisherfolk increased**

Harnessing robust and vibrant agriculture, fishery and natural resources production systems and ecosystems services to improve and sustain the well-being of the small farmers and small-scale fishers in the region shall be pursued. Strategic and effective post-harvest facilities (e.g., storage, processing plants, drying floors, farm tractors, threshers, rice and corn mills, corn

shellers, cassava granulators, animal feed mills, nurseries, greenhouse, rainshelter, slaughterhouse facilities, etc.), container yard, quarantine stations in strategic places, transport system, and information system shall be established for easy access by the marginalized farmers and fisherfolk.

**Subsector outcome 1: Access to value-chains increased**

**Strategy 1: Intensify value-adding activities to convert agriculture and fishery products into higher value commodity and ensure higher income**

Support program for agri-fishery enterprise development, including capability building, shall be provided to capacitate small farmers and fisherfolk to engage in value-adding activities of their produce.

**Strategy 2: Establish industry cluster approach through grouping of key and support industries, infrastructure, and institutions that are interlinked and interdependent**

This will overcome problems of scale through concentration in key production areas, industry-wide clustering, and strengthening of cooperatives and farmers organizations.

**Strategy 3: Strengthen market linkages in both domestic and foreign markets, and ensure strict implementation on agriculture and fishery standards for local consumption**

Market linkages shall be strengthened through the establishment of the following:

- a. Trading posts for fruits and vegetables and food terminals in strategic areas;
- b. Auction market and integrated packaging center for fruits, vegetables, and livestock;
- c. Comprehensive market information system and conduct of market promo and matching;
- d. Export packaging and treatment facilities for fruits and vegetables; and
- e. Mini-processing plants for sardines and other priority commodities in strategic areas.

the demand for safe and high quality food is met by growing imports.

With the foregoing findings and cognizant of the metropolis as the nodes of the 21<sup>st</sup> century network society, the concept of metropolitan food cluster (MFC) is recommended to be implemented in the Philippines. For Northern Mindanao, however, the MFC was modified to include other agri-based products that may be demanded by the metropolis and other urban centers, thus, the MFAPC. The schematic diagram of the original MFC<sup>1</sup> and the MFAPC that will be adopted in the region are shown in Figure 8.3 and Figure 8.4.

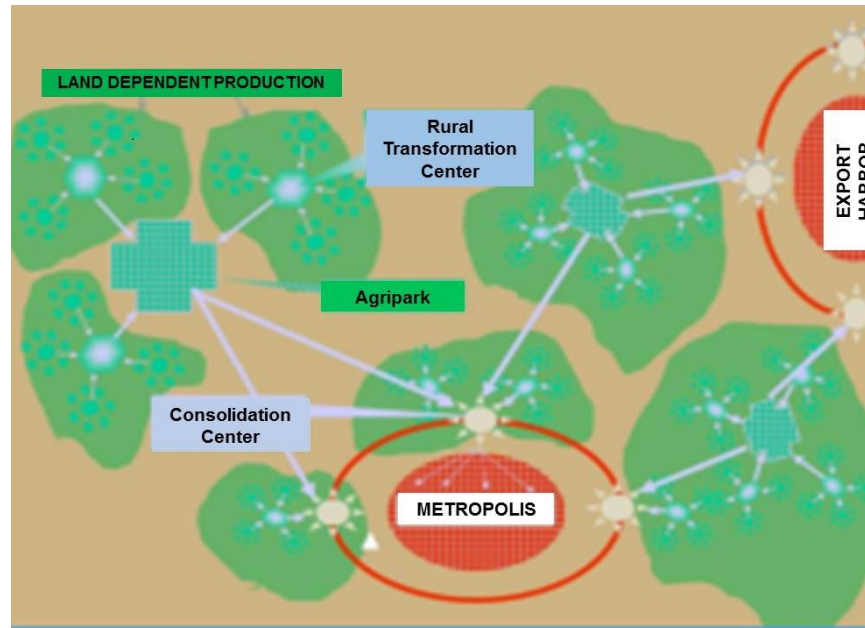
**Strategy 4: Adoption of the Metropolitan Food and Agri-Based Products Cluster (MFAPC) approach**

As the Philippine population will continue to grow and urbanization is expected to keep increasing, there will be continuous growing market demand for safe and high quality food from growing middle class with growing purchasing power. This was revealed in a pre-feasibility study on the establishment of integrated agri-food parks in the Philippines commissioned by World Bank. Same study also revealed that most of

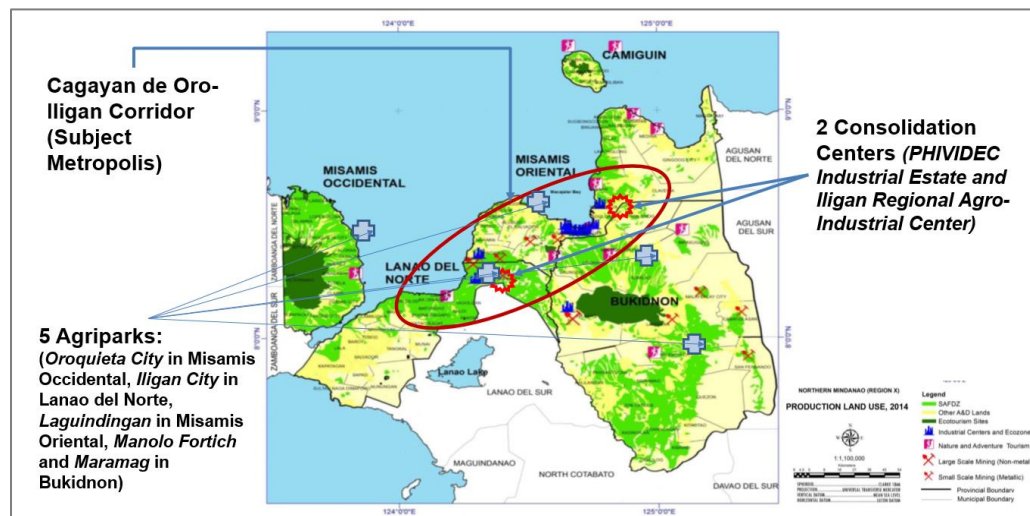
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<sup>1</sup> Source: *ALTERRA WAGENINGENUR*

*Figure 8.3 Schematic Diagram of a Metropolitan Food Cluster*



*Figure 8.4 Schematic Diagram of a Metropolitan Food Cluster and Agri-based Products Cluster and its Adoption in Region X*



Adopting the MFAPC approach, the Cagayan de Oro–Iligan Corridor would become the subject Metropolis. The PHIVIDEC Industrial Estate in Misamis Oriental (PIE-MO) and the Metro Iligan Regional Agro-Industrial Center (MIRAIC)

in Lanao del Norte may become the consolidation centers. At least five agri-parks may be established regionwide -- two agri-parks in Bukidnon (in Manolo Fortich Agri-Industrial Zone for Northern Bukidnon, and in Maramag for Southern



Bukidnon), and one agri-park each for Misamis Oriental (to be located in the municipality of Laguindingan), Lanao del Norte (in Iligan City), and Misamis Occidental (in Oroquieta City).

The two agri-parks in Bukidnon can link with the production and market centers in the Davao region, while the agri-park in Oroquieta City can link with the Zamboanga peninsula.

### **Subsector outcome 2: Access to technology increased**

#### **Strategy 1: Intensify capability building, and strengthen extension support to increase adoption and practice of cost-efficient and proven package of technologies**

This will include provision of appropriate trainings and demo-fair, showcasing the updated technologies (e.g., HVCC model farming and organic farming) to encourage utilization by small farmers and fisherfolk.

#### **Strategy 2: Improve agricultural research and extension delivery system**

The sector shall conduct intensive technology updating, modernization and mechanization program, as well as accelerate the improvement of agricultural research and extension delivery system to achieve the region's support for transforming agriculture and fisheries from resource-based to knowledge or technology-based economy.

#### **Strategy 3: Crop diversification, multi-cropping, and integrated farming systems**

Continue promotion of multi-cropping, integrated farming systems, and crop diversification, such as livestock-crops, or crops-livestock-aquaculture to maximize use of land and increase productivity.

#### **Strategy 4: Increase investments in climate- and disaster-responsive technologies**

The region shall strengthen extension and support services on the provision and adoption of climate-sensitive farming and fishing technologies through the following interventions:

- a) Conduct vulnerability and adaptation assessment;
- b) Conduct research and distribute seeds and planting materials, and species which are adaptable to changing climatic conditions;
- c) Develop information and communications technology infrastructure against risks from natural hazards; and
- d) Construct and rehabilitate strategically-located and climate-resilient FMRs and other infrastructure support facilities.



### *Subsector outcome 3: Access to financing increased*

#### **Strategy 1: Increase investments in rural credit, and institutionalize credit program for agriculture and fisheries**

Affordable and accessible financing program and micro-credit assistance shall be provided, and marketing assistance shall be expanded to increase availment by small farm holders and small-scale fisherfolk, including indigenous peoples (IPs). The sector shall support the expansion of SIKAT SAKA Program coverage, of which Bukidnon is the pilot area, to include all provinces in the region. The sector shall support the reduction of size of land to be offered as loan collateral from five hectares to enable the small farm holders to access credit from banks and government financial institutions (GFIs), and through the Agricultural Credit Policy Council (ACPC). Review of the Agri-Agra law shall be accelerated to enhance farmers' access to credit.

#### **Strategy 2: Strengthen the agriculture and fishery insurance and guarantee system as an important risk-sharing mechanism**

Micro-insurance shall be provided to small farmers and fisherfolk, including implementation of disaster-risk financing program for crops, livestock, and fishery commodities.

### *Subsector outcome 4: Access by small farmers and fisherfolk to land and water resources increased and protected*

#### **Strategy 1: Fast-track distribution of Comprehensive Agrarian Reform Program (CARP) lands through synchronization of efforts among agencies, institutions, and other stakeholders**

The sector shall pursue land tenure improvement and fast track the delivery of agrarian justice to ensure land tenure security of the Certificate of Land Ownership Award (CLOA) recipient-agrarian reform beneficiaries. This is to ensure increased number of farmer-tillers distributed with CARP-covered landholdings, and of agrarian-related cases acted upon through adjudication and agrarian law implementation.

#### **Strategy 2: Strict enforcement of RA 8550, as amended by RA 10654 or the Fisheries Code of the Philippines**

This will strengthen anti-illegal, unreported and unregulated fishing (IUUF) measures. “*Bantay Dagat*” of the LGUs shall also be institutionalized to facilitate implementation of RA 10654, and to protect municipal waters for the benefit of the small-scale fisherfolk in the locality.

## Legislative Agenda

- 1) *Creation of Panguil Bay Authority.*  
This will intensify and strengthen Panguil Bay coastal resource management. Composed of 10 municipalities and two cities, belonging to three provinces - Lanao del Norte, Zamboanga del Sur, and Misamis Occidental in Zamboanga Peninsula and Northern Mindanao - the bay's jurisdictional structure calls for an integrated management framework for the sustainable development of its fishery resources.
- 2) *Passage of provincial/ city/ municipal ordinances supporting intra-regional alliances on bay fishery management and development.* These local laws are intended to strengthen the operation of existing bay alliances, such as Iligan Bay Alliance of Misamis Occidental (IBAMO), Gingoog Bay Alliance, Macajalar Bay Development Alliance, and other similar alliances that may be created in the future.
- 3) *Enactment of agrarian reform law allowing acquisition of more public and private lands for distribution to farmers with least cost.* This will include rectification of laws, defects and problems encountered by the agrarian reform program.
- 4) *Promulgate policy that will hasten certification of organic products* to intensify promotion of Good Agricultural Practices (GAP) and Good Aquaculture Practices (GAqP) certification, organic farming, and balanced fertilization for key commodities.

# Results matrix

**Table 8.12 Results matrix for expanding economic opportunities in Agriculture, Forestry and Fisheries**

OBJECTIVES/ RESULTS	0+10-POINT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		ANNUAL TARGET						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY+	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
Societal goal: To lay down the foundation for inclusive growth, a high-trust and resilient society, and a globally competitive knowledge economy															
Intermediate goal: Reduce inequality ("Pagbabago")															
Sector outcome 1: Economic opportunities in agriculture, forestry and fisheries expanded	Agenda 5	Goal 2 and 8	Growth of GVA in AFF increased (at constant 2000 prices, %)	2010- 2015	3.7	4.0-5.5	4.0-6.0	4.5-6.5	4.5-6.5	4.5-7.0	4.5-7.0	4.5-7.0	PSA-Reg'l Accts Report	PSA	
Subsector Outcome 1.1: Agriculture, forestry and fisheries productivity improved (within ecological limit)	Agenda 5 and 3	Goal 2, 8 and 12	Yield of major commodities increased (MT/Ha.)										Survey/report	DA, PSA	
			Palay:	2015	4.43	4.48	4.70	4.92	5.15	5.27	5.39	5.39			
			Irrigated	2015	4.59	4.65	4.88	5.13	5.38	5.52	5.66	5.66			
			Rainfed	2015	3.59	3.59	3.77	3.81	3.85	3.88	3.92	3.92			
			Upland	2015	1.69	1.69	1.69	1.69	1.69	1.69	1.69	1.69			
			Corn:	2015	3.23	3.24	3.26	3.28	3.29	3.31	3.33	3.33			
			white	2015	2.02	2.03	2.04	2.05	2.06	2.07	2.08	2.08			
			yellow	2015	4.61	4.66	4.71	4.75	4.8	4.85	4.9	4.9			
			Banana	2015	33	35.12	35.14	35.16	35.18	35.19	35.21	35.21			
			Coconut - Copra (MT'00 0)	2015	1.446	1.446	1.453	1.457	1.461	1.464	1.468	1.468	Report	PCA	
			- Nuts ( '000)	2015	6.088	6.088	6.104	6.119	6.134	6.150	6.165	6.165			
			Pineapple	2015	57.71	58.86	60.04	61.24	62.47	63.72	64.99	64.99	Survey/ report	DA, PSA	
			Mango	2015	5.81	5.93	6.04	6.17	6.29	6.41	6.54	6.54			

OBJECTIVES/ RESULTS	0+10-POINT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		ANNUAL TARGET						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY*	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
		Goal 2,8 and 12	Coffee	2015	0.46	0.47	0.49	0.50	0.52	0.53	0.55	0.55	Survey/ report	DA, PSA	
			Cacao	2015	0.26	0.27	0.28	0.28	0.29	0.3	0.31	0.31			
			Rubber	2015	1.38	1.42	1.46	1.51	1.55	1.60	1.65	1.65			
			Volume of production increased (MT/Ha.)										Survey/ report	DA, PSA	
			Palay:	2015	725.12	734.46	771.56	807.43	844.98	865.08	885.70	885.70			
			Irrigated	2015	655.53	664.87	698.84	734.04	770.90	790.31	810.24	810.24			
			Rainfed	2015	64.34	64.34	67.47	68.14	68.82	69.51	70.21	70.21			
			Upland	2015	5.26	5.26	5.25	5.25	5.25	5.25	5.25	5.25			
			Corn :	2015	1,216.30	1,240	1,264	1,290	1,315	1,342	1,369	1,369			
			White	2015	407.26	415	423	432	440	449	458	458			
			Yellow	2015	809.04	825	841	858	875	893	911	911			
			Vegetables:	2015	104.766	110.00	115.50	121.28	127.34	133.71	140.40	140.40			
			Fruits	2015	3,402.9	3,746.4	3,821.48	3,897.8	3,975.8	4,055.3	4,136.4	4,136.4			
			Coconut - Copra (MT'000)	2015	438	438	440	441	442	443	444	444	Report	PCA	
			- Nuts ('000)	2015	1,844	1,844	1,848	1,853	1,858	1,862	1,867	1,867			
			Fisheries:										Survey/ Report	BFAR, PSA	
			Commercial	2015	38.083	39.988	41.892	43.796	45.700	47.604	47.604	47.604			
			Municipal	2015	43.868	44.307	44.307	44.307	44.307	44.307	44.307	44.307			
			Aquaculture												
			- w/ seaweeds	2015	80.851	82.468	84.085	85.702	87.319	88.936	88.936	88.936			
			- w/o seaweeds	2015	41.442	42.064	42.685	43.100	43.514	43.928	44.343	44.343			
	Agenda 5 and 3		Logs (m³)										Report	DENR	
			Rice and corn self-sufficiency ratio increased (%)										Report	DA	
			Rice	2015	80.6	91.72	94.76	97.53	100.38	101.06	101.76	101.76			
			Corn	2015	133	134	135	136	137	138	139	139			

OBJECTIVES/ RESULTS	0+10-POINT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		ANNUAL TARGET						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY*	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
		Goal 2, 8 and 9	Share of AFF R&D in government budget to total AFF GVA increased (%)	No baseline data		0.5%	0.8%	0.9%	1.0%	1.1%	1.2%	1.2%		DOST-PCAARRD	
	Agenda 5 and 3	Goal 2, 8 and 15	Forest products (m³)	2015	194,838	204,580	214,809	225,549	236,827	248,668	261,101	261,101			
			Yemane	2015	26,691	28,026	29,427	30,898	32,443	34,065	35,769	35,769			
			Falcata	2015	81,098	85,153	89,411	93,881	98,575	103,504	108,679	108,679			
			Mahogany	2015	39,392	41,361	43,429	45,601	47,881	50,275	52,789	52,789			
			Others	2015	47,657	50,040	52,542	55,169	57,927	60,824	63,865	63,865			
			Processed Wood Production (m³)	2015	122,455	260,812	273,853	287,546	301,923	317,019	332,870	332,870			
			Lumber/veneer	2015	44,101	242,332	254,449	267,172	280,530	294,557	309,284	309,284			
			Plywood	2015	74,440	12,703	13,338	14,005	14,706	15,441	16,213	16,213			
			Blackboard	2015	3,912	5,777	6,066	6,369	6,687	7,022	7,373	7,373			
<b>Subsector Outcome 1.2:</b> Agriculture and fishery-based	Agenda 5	Goal 1, 2 and 8	Number of agri and fishery-based enterprises increased	No baseline data		3%-4%	3%-4%	3%-4%	3%-4%	3%-4%	3%-4%	3%-4%		DA, BFAR	

OBJECTIVES/ RESULTS	0+10-POINT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		ANNUAL TARGET						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY*	ASSUMPTIONS AND RISKS				
				YEAR	VALUE	2017	2018	2019	2020	2021	2022								
enterprises increased			Value of output of AFF-based enterprise s, in real terms, increased	No baseline data		3%-4%	3%-4%	3%-4%	3%-4%	3%-4%	3%-4%	3%-4%		PSA					
			Coconut export increased:													Report	PCA		
			- Volume (MT '000)	2015	506	506	507	509	510	511	512	512							
			- Value (USD '000)	2015	518,858	518,858	520,155	521,455	522,759	524,066	525,376	525,376							
			Income per ha/year increased																
			Coconut (copra)	2015	36,150	50,610	50,864	50,991	51,119	51,247	51,375	51,375							
Sector Outcome 2: Access to economic opportunities by small farmers and fisherfolk increased																			
Subsector Outcome 2.1: Access to value chains increased	Agenda 5	Goal 8 and 10	Growth in approved investmen ts in AFF- related activities increased (%)	No baseline data		25%	25%	25%	25%	25%	25%	25%		PSA					
Subsector Outcome 2.2: Access to technology increased		Goal 2, 9, 10 and 13	Market centers increased (no.)			To be determined										DA			
			Product consolidators increased (no.)			To be determined													DA

OBJECTIVES/ RESULTS	0+10-POINT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		ANNUAL TARGET						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY*	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
			Value of domestic exports (in real terms) increased			To be determined								DA, PSA	
<b>Subsector Outcome 2.3:</b> Access to financing increased	Agenda 5	Goal 8 and 10	Proportion of small farmers borrowing from formal credit sources increased	For further validation										DA-ACPC	
		Goal 8 and 13	Share of small fisherfolk with agricultural insurance to total number of farmers and fisherfolk increased (%)	No baseline data		10%	13%	15%	17%	20%	25%	25%		DA-PCIC	
<b>Subsector Outcome 2.4:</b> Access by small farmers and fisherfolk to land and water	Agenda 6	Goal 1,2 and 10	Percent of agricultural land distributed under CARP increased	2015	94.8	96.6	97.4	98.2	98.6	99.1	100.0	100.0		DAR	

OBJECTIVES/ RESULTS	0+10-POINT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		ANNUAL TARGET						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY*	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
resources increased and protected			Percent of farmers receiving CLOA increased	2015	94.5	95.4	96.3	97.2	98.2	99.1	100.0	100.0		DAR	

\*responsible agency (lead) in attaining the targets and responsible agency for reporting progress on indicator targets



09

Expanding Economic  
Opportunities in  
Industry through  
*Trabaho* and  
*Negosyo*



## Chapter 9

# Expanding Economic Opportunities in Industry through *Trabaho* and *Negosyo*

In line with the national development agenda, the Regional Development Plan 2017-2022 seeks to reduce inequality in economic opportunities by expanding and increasing access to economic opportunities in the industry sector. It shall cover not only the large industries, but more particularly the micro, small and medium enterprises (MSMEs), and cooperatives as these constituted the bulk of the industry sector in the region. Major strategies are identified to overcome the challenges that may hinder the industry sector in attaining its desired outcomes.

## Assessment and Challenges

The average annual growth rate of the industry sector for the period 2010-2015 was 7.14 percent. The bulk of the industry growth was driven by the increasing output of the manufacturing subsector. For 2015 alone, the total gross value added (GVA) of the manufacturing subsector reached PHP58.23 billion. This accounted for 60.2 percent share of the total industry output. Meanwhile, the construction subsector posted the highest average growth rate for the same period at 12.07 percent, with highest year-on-year growth rate in 2013-2014 at 29.3 percent.

The high growth could be attributed to the commencement of huge investments in the energy sector that also pulled up the investment performance of the region, exceeding the end-of-plan target of PHP22.2 billion by PHP6 billion in 2015. However, the GVA for the whole industry sector fell short of the end-of-plan target for the year 2015 by PHP4.1 billion. The total GVA of PHP96.6 billion in 2015 for the industry sector was affected by a negative performance of the electricity, gas and water supply subsector during the period 2012-2015.

**Table 9.1 Growth rates of the industry sector (at constant 2000 prices), Region X, 2010-2015**

INDUSTRY/YEAR	10-11	11-12	12-13	13-14	14-15	AAGR
<b>INDUSTRY SECTOR</b>	6.7	8.9	6.8	9.0	4.3	7.14
a. Mining and Quarrying	4.2	9.5	3.2	10.1	15.2	8.44
b. Manufacturing	8.3	10.8	9.3	5.8	3.2	7.50
c. Construction	5.8	8.7	5.8	29.3	10.8	12.07
d. Electricity, Gas and Water Supply	2.9	3.4	-0.2	-0.3	-0.1	1.15
<b>GROSS DOMESTIC PRODUCT</b>	5.8	7.2	5.3	7.2	5.5	6.21

Source of basic data: Philippine Statistics Authority (PSA)

In 2015, the industry sector employed 12.9 percent of the total employed persons in the region. About 40.58 percent and 53.87 percent were employed in the manufacturing and construction subsectors, respectively. The average labor productivity for 2012-2015<sup>1</sup> of the manufacturing subsector was three times higher (PHP573,808.86) than the construction subsector (PHP160,262.61). However, the manufacturing subsector had

lesser number of employed persons than the construction subsector. This would indicate the disparity between the income earned from those employed in the manufacturing sector as compared to the construction sector. Moreover, the labor productivity of the electricity, gas and water supply (EGW) was notably higher at PHP1.8 million. However, this subsector employed only 0.33 percent of the total employment of the industry sector.

**Table 9.2 Accomplishment of Industry related indicators, Region X, 2013-2015<sup>2</sup>**

INDICATOR/ UNIT	ANNUAL TARGET AND ACCOMPLISHMENT					
	2013		2014		2015	
	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL
Gross Value Added in the Industry sector increased (PHP billion)	85.9 to 86.3	85.18	92.4 to 93.2	92.87	99.3 to 100.7	96.6
Employment Generated from the Industry sector increased	238,000 to 239,000	226,700	255,000 to 258,000	257,740	275,000 to 278,000	266,210
Increased number of DTI-assisted firms aligned to international standards	7 firms	6 firms	10 firms	10 firms	12 firms	12 firms
Increased percentage of operational PEZA Board- approved economic zones						9 Operating Economic Zones
Investments increased (PHP billion)	11.28	13.34	14.58	17.19	18.21	28.39
BPLS mainstreamed in identified LGUs (in percentage)	100%	61%	100%	89%	100%	97%

<sup>1</sup> Measured at constant 2000 prices and using 2015 average annual employed persons

<sup>2</sup> As indicated in the Results Matrix of RDP Midterm Update, 2013-2016

INDICATOR/ UNIT	ANNUAL TARGET AND ACCOMPLISHMENT					
	2013		2014		2015	
	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL
Increased number of MSMEs developed and assisted	2,400	2,322	2,531	3,388	2,675	3,968
Exports receipts increased (in million US\$)	939.66	1,107.97	1.02	923.70	1.10	838.61
Improved compliance Rate to Fair Trade Laws among DTI-monitored establishments	95%	93%	96%	97%	97%	98%
Increased percentage of customer complaints resolved	90%	97%	91%	99%	93%	99%

Investments<sup>3</sup> of PHP28.39 billion generated in the region in 2015 exceeded its plan target of PHP18.21 billion. These included the additional investments in power that stabilized the power supply in Mindanao, and the additional large investments of oil terminals in Cagayan de Oro City and PHIVIDEC Industrial Estate. However, the inflow of foreign investments was only 3.1 percent of the total foreign investments in the country during the same period. Foreign direct investments (FDI) reached PHP5,871.3 million, the highest in Mindanao. However, the amount was three times lower than Western Visayas and Central Visayas with PHP15,117 million and PHP17,426 million, respectively.<sup>4</sup>

The factors that contributed to the performance of the industry sector were the along the improvement of productivity and competitiveness of MSMEs, expansion of

market access through increased investments, and alignment to international standards.

Along productivity improvement, the following were accomplished: a) establishment of the Regional Food Innovation Center in the University of Science and Technology of Southern Philippines (USTP; formerly Mindanao University for Science and Technology (MUST)), that assists the food processing industry for more quality and innovative products; b) Fab Lab or the center for innovation and invention at the MSU-IIT, that assists entrepreneurs in transforming ideas to designs and manufacturing prototypes; and c) the Shared Service Facility that provided manufacturing equipment to MSMEs.

<sup>3</sup> DTI-monitored investments

<sup>4</sup> PSA. 2015. *The Foreign Investments in the Philippines*. Philippine Statistics Authority, Quezon City, Philippines.

In improving competitiveness, technical assistance, financing support, product development, capability building, and market access were continually provided to the MSMEs. There were 3,968 MSMEs assisted and developed in 2015, exceeding the target of 2,675 by 48.3 percent. In terms of area specific competitiveness, especially along regulatory processes at the local level, only 97 percent of the targeted 20 local government units (9 cities and 11 municipalities) mainstreamed the business process and licensing system (BPLS). On the other hand, the annual cities and municipalities' competitiveness index (CMCI) that was launched in 2013 to mainstream competitiveness at the local level, Cagayan de Oro, Ozamiz city, the municipalities of Mambajao (Camiguin), Calamba, Jimenez, (both in Misamis Occidental), Kolambugan, Tubod (both in Lanao del Norte) were ranked as among the top 10 competitive LGUs in economic dynamism, government efficiency, and infrastructure.

The presence of regional and provincial Micro, Small and Medium Enterprises Development Council (R/P MSMEDC); implementation of focus programs and projects, such as the Shared Service Facility (SSF), National Industry Cluster Capacity Enhancement Project (NICCEP); regionwide SME Roving Academy; and the establishment and operationalization of *Negosyo* Centers facilitated the delivery of various assistance to the MSMEs. As of 2016, there were 28 *Negosyo* Centers established in all of the provinces in the region. Republic Act (RA) 10644 otherwise known as the "Go *Negosyo* Act" that was signed into law by President Aquino on July 15, 2014 mandates the establishment of

"*Negosyo* Center" in all provinces, cities, and municipalities to promote ease of doing business, and facilitate access to services of the MSMEs. *Negosyo* Centers provide business consultation services especially to start-ups and would-be entrepreneurs.

In terms of exports, coconut-based products remained the top export earner of the region in 2015 despite the 13.2 percent decline from the previous year. It comprised 62 percent to the total volume of regional exports. This was followed by fresh fruits (10.2%), industrial manufactures (8.3%), and processed foods (7.5 %). In terms of receipts, oleochemicals remained the top export earner, followed by crude or cochin coconut oil and pineapple juice concentrate.

In order to access international markets, compliance to international standards especially to export-oriented industries was also pursued. A total of 12 firms or 100 percent of the targeted firms in 2015 were aligned with international standards to be at par with other ASEAN countries. Eleven of these firms were micro, small and medium enterprises. The region's global trading partners are diverse, although majority of the products are traded in Japan, United States, China, Korea and Australia.

Along the enhancement of the protection of consumer welfare, the compliance rate of DTI-monitored establishments improved from 95 percent in 2013 to 98 percent in 2015. Moreover, percentage of resolved customer complaints improved from 90 percent to 99 percent in 2015.

Despite the achievements in the previous planning period, the industry sector is still facing various challenges that need to be

addressed to allow more growth, and increase absorption of the region's labor force, such as the following:

*Low capacity of the industry sector to provide more productive employment.* Despite higher labor productivity of the industry sector, it absorbs the smallest share of the labor force due to the industrial structure which is mostly composed of small- to medium-size firms. More productive medium-size firms comprised only 0.4 percent of all MSMEs<sup>5</sup> in the Philippines, which is also reflective of the regional situation. Underutilization of economic zones especially in preferred investment areas (PIAs) such as the PHIVIDEC Industrial Estate, among others, partly restrains capacity of the industry to grow as these areas intend to entice larger investments as possible. Moreover, despite the high growth in the construction subsector, there is still heavy dependence on imported steel, specifically slabs for flat products, and imported billet for long products. Thus, the absence of an integrated steel industry is a major regional concern.

*High cost of doing business.* Doing business remains costly in the region, in terms of the length of time in getting permits and licenses which are still done manually. For example, it requires 81 days to register a property in Cagayan de Oro City while it only requires 30 days<sup>6</sup> in Valenzuela city. For most LGUs, weak compliance to

standards set in the business process and licensing system (BPLS), complex tax system for MSMEs, unavailability of regional offices for the health certification of food products, among others, impede industry growth.

*Low enterprise competitiveness and innovation capacity.* From a micro level, low enterprise competitiveness is not only hampered from insufficient investments on logistics and infrastructure, but also, from a weak appreciation on the importance of research and development in product and process innovation. Absence of market information on particular product requirements and market share, and absence of reliable supplier of equipment also hinder competitiveness and innovation capacity especially among MSMEs. Information asymmetry in terms of industry skills requirement, as well as, academe product and process research output utilization deserve the necessary interventions.

*Insufficient lending to the enterprise sector.* Only six percent of capital formation is financed by banks and another six percent is funded from external sources.<sup>7</sup> Banks prefer to pay the penalty of not meeting the minimum financial assistance to SMEs, as prescribed by RA 9501 (Magna Carta for MSMEs), rather than extending loans to small enterprises. Thus, it remains costly for MSMEs to access financing from formal financial institutions due to unavailability

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<sup>5</sup> Fruman, C. 2016. *Increasing Philippine SMEs' Participation in Global Value Chains Keynote Speech*. Asia News Monitor. Bangkok, Thailand

<sup>6</sup> <http://www.doingbusiness.org/data/exploreeconomies/philippines/sub/valenzuela#registering-property>

<sup>7</sup> Maningo, G.V. 2016. *Credit Surety Fund: A Credit Innovation for Micro, Small and Medium-Sized Enterprises in the Philippines*. ADB Working Paper 589. Tokyo: Asian Development Bank Institute. Available: <http://www.adb.org/publications/credit-surety-fundcredit-innovation-micro-small-and-medium-sized-enterprises-philippines/>

of business records of accomplishment, informational asymmetries, shortage of assets and collateral, and insufficient management skills.<sup>8</sup>

*Limited access to production networks.* Most of the region's domestic exports remain to be live animals and fresh food. The processing of more value adding products are limited as production of these products is largely concentrated in the national capital region (NCR). Moreover, coconut-based products remain as inputs to more value adding products that are processed abroad. This shall be addressed especially

with the market expansion, such as the ASEAN Economic community.

*Security concerns that inhibit investors to invest in the region.* Northern Mindanao as a whole is perceived to be afflicted with insurgencies and conflict that would considerably affect flow of investments especially foreign direct investments.

*Consumers still lack awareness of consumer rights, safety, information and prices.* In a study by the DTI, about 23 percent of consumers surveyed expressed that they are still unaware of their rights.<sup>9</sup>

## Strategic Framework

The industry sector shall contribute in expanding the economic opportunities of the region particularly in the manufacturing and electricity, gas and water subsectors for the period 2017-2022. Industrial development shall be largely driven by its agri-industrial export base and additional investments in heavy industries such as exploratory activities for the establishment of an integrated steel industry, industry mapping of priority agri-based enterprises such as coconut-related commodities, processed foods, fruits and nuts and engineered bamboo, among others.

A large share of the industry players in the region are classified as micro, small and medium enterprises (MSMEs). Hence, equal access to opportunities for upgrading

and upscaling of existing and emerging firms shall be prioritized.

The key strategies of the industry sector shall include aggressive promotion of economic zones for large capital investments, strengthening of competitiveness at the industry and firm level with spatial consideration through the participation of LGUs in the CMCI survey; conduct of research and development (R&D) at the industry and firm level to upgrade productivity, and boosting for more innovative approaches in industrial development. The cost of doing business shall be reduced through the automation of government processes, such as business permits and licenses, and the processing of export and import related requirements, among others. More private and

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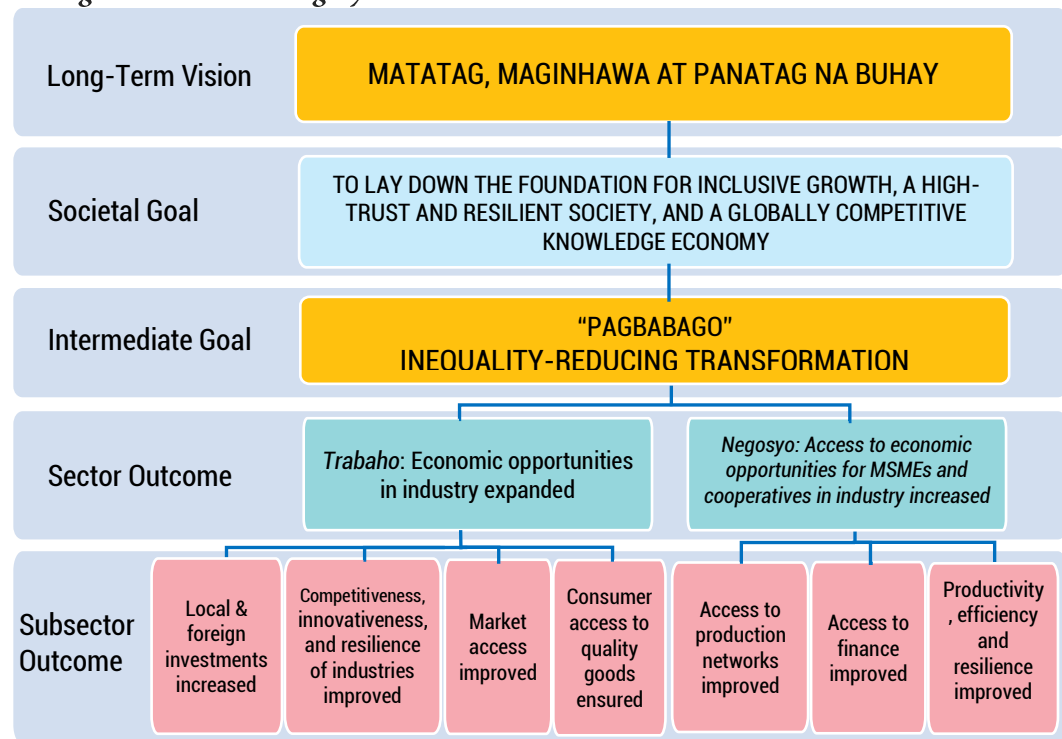
<sup>8</sup> Aldaba, R.M. *Small and Medium Enterprises' (SMEs') Access to Finance: Philippines. Discussion Paper 2012-05. Philippine Institute of Development Studies. Makati City, Philippines.*

<sup>9</sup> Department of Trade and Industry. 2016. *Geared for Global Opportunities- 2015 Annual Report*. Retrieved from <http://www.dti.gov.ph/resources/publications>



government investments shall be facilitated through the improvement of hard infrastructures such as road networks, railway, construction of cell site towers especially in geographically isolated areas, and water systems. Moreover, improvement in soft infrastructures includes the review of policies and institutional processes to advance industry growth.

**Figure 9.1 Strategic framework for expanding economic opportunities in Industry through Trabaho and Negosyo**



### **Sector Outcome 1 Trabaho:** **Economic opportunities in industry expanded**

#### **Subsector Outcome 1.1: Local and foreign investments increased**

#### **Strategy 1: Encourage large manufacturing investments in economic and industrial zones**

- Revive and operationalize the regional industry cluster group per RDC-X Resolution No. 16 (s. 2002), and to enhance membership by

including managers of operating economic zones;

- Promote transparency, and harmonize incentive policies at the LGU level, economic zone authorities and other bodies to hasten doing business in preferred investments areas (PIAs) in the region;
- Push for the revival of the steel industry in the region by conducting a study on the ideal location and steel industry structure that would optimize the region's comparative advantages;

- Prepare the regional industry roadmaps for priority industries in the region to identify specific interventions necessary at the regional and national levels.
- Operationalize the concept of agri-parks or the metro food and agri-production cluster (MFAPC) in pursuing agri-industrial development to harmonize value adding and research and development activities in rural and urban areas and lessen the income gap between rural and urban areas in the region;
- Operationalize the Regional Investment Promotions Technical Working Group (TWG) under the Regional Competitiveness Council-TWG to advance regional marketing and investment promotion campaign;
- Prepare master plans for the proposed industrial development zones (Metro Iligan Regional Agri-Industrial Center, Iligan-Bukidnon Agribusiness and Ecotourism Development Zone, and USTP Technology Park) to enhance readiness of areas for more investments aside from the existing PIAs;
- Support the policy reform agenda of relaxing the constitutional restriction of capital ownership in the country, which is currently at 60 percent owned by Filipino and 40 percent foreign-owned; and
- Conduct quad media and positive journalism campaign to promote Northern Mindanao in international markets utilizing the presence of

existing multinational corporations (MNCs) located in the region.

### **Strategy 2: Accelerate implementation, development of hard and soft infrastructure needs of the industry sector**

- Accelerate implementation of existing infrastructure programs and projects, and develop a seamless intermodal transport system to effect lower transportation costs from production areas to distribution centers and facilities. (Refer to Chapter 17); and
- Improve local institutions and industry relationships by providing preferential policies for local industries that commit to employ majority of local labor force, and initiate industry innovativeness.

### *Subsector Outcome 1.2: Competitiveness, innovativeness and resilience of industries improved*

#### **Strategy 1: Intensify the culture of competitiveness especially at the local level**

- Support the generation of data, and improve the overall ranking of cities and municipalities in the annual Cities and Municipalities Competitiveness Survey (CMCS) to indicate readiness of local areas for local and foreign investments;
- Provide domestic and international information on minimum product standard requirements of major

products in the region especially those for exports; and

- Intensify campaign for industry or firm level accreditation to international standards, such as ISO, Halal, and others.

#### **Strategy 2: Automate and streamline business permits and licensing processes, and other government regulatory requirements**

- Implement and cascade outputs of the Project Repeal: the Philippine Red Tape Challenge<sup>10</sup> from the national to the regional and local level to expand LGU and national government agency compliance if necessary;
- Fast track outputs of the E-Gov project master plan 2013-2016 to implement automation of government processes;
- Cascade the DTI, DILG, DICT Joint Memorandum Circular No. 1 (s. 2016) on the revised standards in processing business permits and licenses in all cities and municipalities and provide monitoring mechanisms to address specific roadblocks of implementation; and
- Push for the operation of the Bureau of Health Quarantine in the region to reduce costs of getting health certification on certain products.

#### **Strategy 3: Upgrade and upscale export-oriented industries**

- Establish developed and developing regional industry partnerships as learning sites of export-oriented industries to encourage upgrading and upscaling of micro, small and medium enterprises in the region;
- Strengthen conduct of trade facilitation exhibits, trade missions, and marketing and investment promotion activities to connect existing export-oriented industries to global production networks;
- Enhance the industry cluster approach especially in improving policies that would encourage expansion of markets at the international level; and
- Establish feasible domestic economic zones for MSMEs to encourage integration with existing economic and free port zone activities.

#### **Strategy 4: Intensify research and development efforts at the industry and firm levels**

- Promote the utilization of center for innovation and invention in Mindanao State University - Iligan Institute of Technology (MSU-IIT) and Regional Food Innovation Center of the University of Science and Technology of Southern Philippines

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<sup>10</sup> A project of the National Competitiveness Council with the mission to a) lower cost of compliance for business and cost of enforcement for government by repealing/amending unnecessary, costly, burdensome, out-of-date, confusing policies and b) to “institutionalize” an evidence-based system towards coherent and ultimately, better regulations and c) to democratize regulatory reforms.

(USTP) to improve products and other processes;

- Study the establishment of an industry pooled funds for research and development to strengthen academe-industry linkages towards improved industry products and processes;
- Provide institutional mechanisms/ arrangements for the functioning of technology park to avoid duplication of efforts; and
- Strengthen science and technology related skills development program (refer to Chapter 14).

**Strategy 5: Enhance labor capacities to address industry specific required skills through training, retraining and retooling.**

- Strengthen vocational training institutes and higher education institutions and industry linkages in terms of skills requirement through enhanced labor market information, accreditation and certification of occupation or skills, and enhancing database on labor market requirements both domestic and abroad (Refer to Chapter 11); and
- Review the Science, Technology, Engineering and Mathematics (STEM) curriculum strand in basic education.

**Subsector Outcome 1.3: Market access improved**

**Strategy 1: Improve backward and forward linkages of the existing manufactured products in the region**

- Intensify agriculture-manufacturing value chain linkages of priority commodities to ensure supply of raw materials for agri-based value adding activities;
- Promote domestic industry-national chain store partnership to expand market of regional, provincial, and local small producers; and
- Intensify price monitoring and information sharing of products traded within and outside the Philippines.

**Strategy 2: Maximize opportunities in the ASEAN economic community and other bilateral trade partners**

- Fast track the implementation of the national single window<sup>11</sup> (NSW) project;
- Establish an industry profile of major industries traded in the ASEAN region to facilitate information symmetry among competitors and potential market prospects;
- Enhance consumer rights advocacies to encourage a consciousness for good quality, better standard, and value for money consumption behavior, especially towards cheap and

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<sup>11</sup> A computerized internet-based system that allows parties involved in trade to lodge information and documents with a single entry point to fulfill all import, export and transit-related regulatory requirements (<https://nsq.gov.ph>).

substandard manufactured imports; and

- Explore new markets especially within ASEAN for Northern Mindanao exports.

#### *Subsector Outcome 1.4: Consumer access to safe and quality goods and ensured*

##### **Strategy 1: Intensify consumer vigilance on product safety, value for money and access to quality goods and services**

- Sustain and intensify consumer awareness activities especially in rural areas; and
- Promote more quality consciousness campaign particularly in secondary and tertiary schools as well as maximize the use of multimedia.

##### **Strategy 2: Promote consumer protection**

- Sustain regional efforts on enforcing standards and regulations against unfair trade practices; and
- Intensify policies and implementation of policies against fraudulent business schemes.

#### *Sector Outcome 2: Negosyo: Access to economic opportunities for MSMEs and cooperatives in industry increased*

##### *Subsector Outcome 2.1: Access of MSMEs and cooperatives to production networks improved*

##### **Strategy 1: Upgrade and upscale One-Town-One-Product (OTOP) producers**

- Adopt the “big-brother, small brother” partnership between large enterprises and MSMEs;
- Expand the shared service facility program and other upgrading programs, such as SETUP, an S&T innovation support to MSMEs to existing OTOP producers to optimize government resources provided in the previous periods; and
- Promote social entrepreneurship models to encourage more pro-poor business models and ensure inclusivity in enterprise-related interventions.

##### **Strategy 2: Intensify product development support services and capacity building at the local level**

- Roll-out of local economic enterprise manual to the local government units.
- Pro-active delivery of business development and upgrading services through the Negosyo Centers in existing and emerging growth centers in highly urbanized cities, component cities, and first and second class municipalities.
- Encourage entrepreneurship through business incubation centers.

##### **Strategy 3: Link agriculture and fishery-based industries to national distribution centers and commercial services**

- Adopt farmer entrepreneurship program; and
- Enhance partnership between tourism-related establishments and local

producers to standardize agriculture products.

### *Subsector Outcome 2.2: Access to finance of MSMEs and cooperatives improved*

#### **Strategy: Facilitate access of MSMEs and cooperatives to legitimate financing sources**

- Streamline loan processes for MSMEs;
- Promotion of access to the credit surety fund program;
- Promote crowd funding financial mechanisms to cooperatives and microfinance institutions; and

- Enhance financial literacy

### *Subsector Outcome 2.3: Productivity, efficiency, and resiliency of the MSMEs and cooperatives improved*

#### **Strategy 1: Provide tax and non-tax incentives for MSMEs that engage in research and development**

- Review existing comprehensive tax reform package to include tax credit to firms that provide expenditures on research and development.

## **Legislative Agenda**

- 1) *Amendment on certain economic provisions of the Philippine Constitution.* Relax restrictive foreign ownership provisions to attract more FDI especially in the preferred investment areas (PIAs);
- 2) *Support the Ease of Doing Business Act.* The Act facilitates market competition by improving ease of doing business. This policy reform sustains the intention of Project Repeal to review existing policies, statutes and regulations, and eventually repeal unnecessary issuances;
- 3) *Support to the amendment of the Public Service Act.* Provide clear definition of public utility and pursue other means to liberalize

the operation of specific infrastructure services;

- 4) *Support to the amendment of the Retail Trade Liberalization Act.* As suggested in the Philippine Development Plan 2017-2022, there is a need to align the guidelines for foreign investments to that of the Foreign Investment Act such that capital requirements will be lowered for foreign enterprises, and harmonize with those observed in the Asian countries;
- 5) *Support to adopt an open access policy.* Adopt and enforce the open access in various segments of the telecommunications market (e.g., backhaul and backbone facilities) on a non-discriminatory basis, and

publicize prices in order to introduce effective competition in the broadband or telecom market;

- 6) *Support to a national quality infrastructure system (NQIS).* The NQIS would integrate and coordinate standardization, metrology, testing analysis, quality management, certification and accreditation;
- 7) *Support to the institutionalization of the industry cluster approach.* Pursue local economic development through inter-local cooperation among LGUs and strengthen people participation in community development;
- 8) Support to repealing or amending the flag law (Commonwealth Act 138). This would create a level playing field for foreign firms in bidding for government procurement; and
- 9) Review policies and regulations to improve coastwise trade such as cost in domestic shipping in the region.

# Results Matrix

**Table 9.3 Results matrix for expanding economic opportunities in Industry through Trabaho and Negosyo**

OBJECTIVES	INDICATOR	BASELINE		ANNUAL PLAN TARGETS						END-OF-PLAN TARGET	MEANS OF VERIFICATION		RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
		YEAR	VALUE	2017	2018	2019	2020	2021	2022					
Societal goal: To lay the foundation for inclusive growth, a high-trust and resilient society, and a globally competitive knowledge economy														
Intermediate goal: Reduce inequality (Pagbabago)														
Sector Outcome 1: Economic opportunities in industry and services expanded	Growth rate of gross value added in industry sector increased (by subsector)	2010-2015	7.6	6.0-7.5	6.5-8.0	7.0-8.5	7.0-9.0	6.5-8.5	6.0-8.0	6.0-8.0	Annual results	GRDP	PSA/ NEDA	
	Employment generated from the industry sector increased	2015	266,210	To be determined							Labor Force Survey/ Annual Philippine Statistics Report		PSA/ NEDA	
	Automation in BPLS mainstreamed in highly urbanized cities, component cities, and first and second class municipalities	2015	97% (9 cities and 11 municipalities)	all HUCs	All component cities	all component cities	all first class municipalities	all first class municipalities	all 2nd class municipalities	HUC, component cities, 1st and 2nd class mun.	DTI-X monitoring report		DTI-X	
Subsector Outcome 1.1: Local and foreign investments increased	DTI- monitored investments in consumer manufacturing increased	2015	534 million	To be determined							Quarterly Regional Economic Situationer		DTI-X, NEDA-X	
	DTI-monitored investments in agri-based industries increased	2015	2.4 billion	To be determined							Quarterly Regional Economic Situationer		DTI-X, NEDA-X	



OBJECTIVES	INDICATOR	BASELINE		ANNUAL PLAN TARGETS						END-OF-PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
		YEAR	VALUE	2017	2018	2019	2020	2021	2022				
	DTI-monitored investments in mining and metallurgy increased	2015	214 million	To be determined							Quarterly Regional Economic Situationer	DTI-X, NEDA-X	
	CDA-monitored investments increased	2015	1.3 billion	To be determined							Quarterly Regional Economic Situationer	DTI-X, NEDA-X	
	Occupancy rate of PHIVIDEDEC Industrial Estate increased	2015	30%							80%	Accomplish-ment Report	PHIVIDEDEC Industrial Estate	
	Number of LGUs according to income classification included in the upper half rank in the annual competitiveness survey										Annual CMCI Results	NCC/DTI	A competitive LGU entice businesses to invest in the area, therefore, increasing value of investments
	Provinces	2016	4 out of 5	5	5	5	5	5	5	5			
	Highly Urbanized Cities	2016	1 out of 2	2	2	2	2	2	2	2			
	Component Cities	2016	5 out of 7	6	7	7	7	7	7	7			
	1st and 2nd class municipalities	2016	17 out of 25	17	17	18	20	23	25	25			
	3rd to 6th class municipalities	2016	41 out of 58	42	43	45	50	50	50	50			
<b>Subsector Outcome 1.2:</b> Competitiveness, innovativeness and resilience of industry improved	Number of firms accredited with DTI-Bureau of Production Standards for mandatory products increased	2015	To be determined										

OBJECTIVES	INDICATOR	BASELINE		ANNUAL PLAN TARGETS						END-OF-PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
		YEAR	VALUE	2017	2018	2019	2020	2021	2022				
	Percentage of applications for patent and trademark approved annually		To be validated with the DTI-X								Agency Report	Intellectual Property Office	
	Percentage of ISO-accredited firms increased	2016	To be determined								Survey	HEIs/ Regional Research Consortium	
<b>Subsector Outcome 1.3:</b> Market access improved	Number of export destination countries improved	2016	To be determined										
<b>Sector Outcome 2:</b> MSME access to economic opportunities for MSMEs and cooperatives in the industry and services increased	Number of New Registered Businesses Increased	2016	To be determined								Survey	HEIs/ Regional Research Consortium	
	Number of Business Registration Renewals Increased/ Sustained	2016	To be determined										
<b>Subsector Outcome 2.1</b> MSME access to production networks improved	Number of Firms that participated in trade fairs by level increased	2015	To be determined								Quarterly Regional Economic Situationer	Bureau of Customs/ DTI-X/ PhilExport	
	Domestic	2016											
	National	2016											
	International	2016											

OBJECTIVES	INDICATOR	BASELINE		ANNUAL PLAN TARGETS						END-OF-PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
		YEAR	VALUE	2017	2018	2019	2020	2021	2022				
<b>Subsector Outcome 2.2:</b> MSME access to finance improved	Total annual loan approved and released by cooperatives for MSMEs increased		To be determined								CDA		
	Total annual loan approved and released by private banks increased		To be determined								BSP		
	Credit standing of MSMEs in Northern Mindanao improved		To be determined								Credit Report	Credit Information Corporation	If regional data is available
<b>Subsector Outcome 2.3:</b> MSME productivity, efficiency and resiliency improved	MSME sales increased (of DTI-assisted and CDA-assisted firms)		To be determined								Report generated by DTI and CDA	DTI and CDA	
	Number of MSMEs with credit insurance increased		To be determined								Survey	Research Consortium/ HEIs	
	Number of cooperatives with credit insurance increased		To be determined								CDA Accomplish-ment Report	CDA/ Insurance Commission	



10

Expanding Economic  
Opportunities in  
Services through  
*Trabaho* and  
*Negosyo*



## Chapter 10

# Expanding Economic Opportunities in Services through *Trabaho* and *Negosyo*

In support to the national development agenda, the RDP 2017-2022 seeks to reduce inequality by expanding and increasing access to economic opportunities in the services sector. Apart from the large firms, the focus shall include the micro, small and medium enterprises (MSMEs) and cooperatives. Strategic intervention are identified to overcome the challenges that may hinder the services sector in attaining its desired outcomes.

## Assessment and Challenges

The economic structure of the region continues to shift into a service-driven economy. The services sector shared the bulk of the region's total output (GRDP) in 2015 at 42.9 percent. The average annual growth for the period 2010-2015 was at 6.9 percent (Table 10.1).

In 2015, the services sector was dominated by trade and repair of motor vehicles, motorcycles, and personal and household goods with a GVA of PHP43.64 billion; transport, storage and communication with PHP19.36 billion; and real estate, renting and business activities with PHP 14.13 billion.

The services sector comprised the highest share of employment in the region at 47.9 percent in 2015. The bulk of the employment was concentrated in the trade and repair of motor vehicles, motorcycles, personal and household goods, and the transport, storage and communication, with 381,328 and 144,807 persons, respectively. Labor productivity was higher in the real estate services (PHP3.8 million) and financial intermediation (PHP479, 821) subsectors. However, these subsectors employed only 0.4 percent (3,000 persons) and two percent (20,000 persons), respectively, of the total employed persons in the sector during the same period.

**Table 10.1 Growth rates of services sector (at constant 2000 prices), Region X, 2010-2015**

INDUSTRY/YEAR	10-11	11-12	12-13	13-14	14-15	AAGR
<b>III. SERVICE SECTOR</b>	4.6	8.8	5.5	8.0	7.4	6.86
a. Transport, Storage & Communication	7.1	10.5	6.6	4.4	8.7	7.46
b. Trade and Repair of Motor Vehicles, Motorcycles, Personal and Household Goods	3.5	11.1	3.9	10.2	6.6	7.04
c. Financial Intermediation	5.2	9	9.7	7.3	6.9	7.61
d. R. Estate, Renting & Business Activities	6.2	8.2	7.7	12.0	5.6	7.93
e. Public Administration & Defense; Compulsory Social Security	0.3	6.7	5.3	6.2	2.5	4.20
f. Other Services	5.3	4.3	4.4	6.0	11.3	6.26

Source of basic data: Philippines Statistics Authority (PSA)

A vibrant services sector could be centers for commercial and financial predominantly observed in the cities of services, and in Camiguin province for the Cagayan de Oro, and Iligan, as the regional increasing growth in the tourism services.

**Table 10.2 Accomplishment of the Services sector related indicators, Region X, 2013-2015<sup>1</sup>**

INDICATOR/UNIT	ANNUAL TARGET AND ACCOMPLISHMENT					
	2013		2014		2015	
	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL
<b>Sector Goal: Inclusive growth and poverty reduction</b>						
Employment generated from the services sector increased	922,000 to 927,000	954,500	992,000 to 1,001,000	962,440	1,066,000 to 1,081,000	1,008,000
Gross Value Added in the services sector increased (PHP billion)	107.7 to 108.2	104.38	115.8 to 116.9	112.78	124.5 to 126.2	121.3
<b>Sector Outcome 2: Globally competitive and innovative tourism industry</b>						
Increase in number of tourist arrivals	1,630,078	1,321,172	1,791,777	1,664,856	1,969,530	2,701,526
- Foreign Tourists	66,203	47,932	71,515	40,995	77,242	104,551
- Domestic Tourists	1,563,875	1,273,240	1,720,262	1,623,861	1,892,288	2,596,975
Increased number of ecotourism sites	26	24	28	24	30	24

<sup>1</sup> As indicated in the Results Matrix, RDP Midterm Update 2013-2016



INDICATOR/UNIT	ANNUAL TARGET AND ACCOMPLISHMENT					
	2013		2014		2015	
	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL
Increased number of accredited primary and secondary tourism enterprises	104	104	134	63	176	64
Increased number of DOT-trained services and managerial groups	1,011	1,233	1,112	1,088	1,223	1,113
Increased number of entities supported	34	40	54	52	79	63
Increased number of promotional activities undertaken	10	20	13	26	15	30
Increase percentage in the number of local road projects to be improved leading to strategic tourism destinations	22	40%	44	65%	66	85%

## Tourism Subsector

### Tourist Arrivals

More visitors came to Northern Mindanao in 2015 compared to the past three years. Total arrivals reached 2.7 million which surpassed the 2015 and end-of-plan targets by 37 and 25 percent, respectively. The intensification of promotional activities, such as the expansion of *Pasundayag Northern Mindanao 2016* to other regional areas in the country, and the increase in commercial flights contributed to the said increase in tourist arrivals.

Tourist arrivals in the region were highly dominated by domestic tourists at 96.13 percent of the total arrivals, while the remainder were foreign visitors. The most visited destinations in the region were Cagayan de Oro City and Camiguin. On the other hand, international travelers preferred Bukidnon which accounted for 43.1 percent of total foreign tourists. Bukidnon cluster highlights adventure-tourism parks and other nature-based tourist destinations.

Aside from the intensified marketing and promotional campaigns, other relevant factors have improved the region's niche in the tourism market. These included the improvement in access through better

infrastructure by air, sea, and land. Among the support to tourism projects were the road convergence initiatives by the Department of Tourism (DOT) and the Department of Public Works and Highways (DPWH) and private sector initiatives, such as the increase in commercial flights, particularly for two major domestic airports located in Laguindingan and Camiguin.

The deconcentration of economic activities in major urban areas, including tourism activities, also pushed for more investments in hotel and other accommodation facilities. Based on the 2014 survey of the DOT, the region registered 544 accommodation establishments with 11,950 rooms, from only 359 establishments with 8,129 rooms in 2012. Other tourism-related enterprises also benefited from rising tourism activities, especially in increasing the domestic base for micro-, small-, and medium-scale enterprises (MSMEs), and selling local tourism-characteristic products, such as processed foods, handicrafts, and other wearables. The MSMEs were highlighted in tourism expositions, such as the annual *Pasundayag* Northern Mindanao, and tourism week celebrations. In 2015, sales from local souvenir items reached PHP1.6 million for *Pasundayag* Northern Mindanao event only.

Most destinations in the region can be considered as within the exploration and involvement stage<sup>2</sup> in the tourism area life cycle. Ten destination areas exhibited less than 15 percent share of the total arrivals for 2015, which can be considered as those that

were within the exploration stage, compared to three tourism destination areas (TDAs), namely, Cagayan de Oro, Camiguin, and Bukidnon, which individually shared above 15 percent of total arrivals in 2015. These three TDAs could be described as within the involvement to development stage. The region still manifested a high seasonality pattern in tourism during the months of April and December for Filipinos, and September for non-Philippine residents.

The following are some of the major challenges facing the tourism subsector:

*Low tourism competitiveness, innovativeness and resiliency, thus, limiting the optimum capacity to provide quality jobs.* There is high incidence of seasonal employment especially in rural tourism destinations. This challenge is exacerbated due to the weak tourism branding of destination areas, poor connectivity to untapped and potential tourist attractions, and high dependency on government subsidies or assistance to develop potential attractions, weak tourism governance, and poor marketing. Moreover, resiliency of natural tourism resources is threatened with too much emphasis on “magnitude” rather than on encouraging better sustainable consumption behavior of tourists, as well as sustainable production behavior of tourism providers.

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<sup>2</sup> Exploration stage is characterized by small number of tourists and irregular visitation patterns and involvement stage involves a seasonal pattern of visitors. For more details, refer to Butler R.W., 1980 “The concept of a Tourist Area Cycle of Evolution: Implications for Management of Resources”, *Canadian Geographer* XXIV, 1

*Poor quality of local community participation in the regional tourism production networks.* In the context of community-based tourism approaches, local MSMEs that are either direct or indirect tourism related enterprises are not yet well integrated in the overall tourism value chain. Either these enterprises are informally integrated in the chain or are given a smaller stake in the overall tourism development process.

*Security concerns that inhibit investments in the region.* Northern Mindanao as a whole is perceived to be afflicted with insurgencies and conflict that would considerably affect flow of investments and tourists, especially foreign tourists.

## **Logistics and transportation**

The region which is envisioned to be Mindanao's transshipment hub posted increasing ship calls. The average annual growth rate of the transportation subsector during the period 2010-2015 was 7.5 percent. This growth is expected to continue as the region's logistics sector also serves nearby provinces like Agusan del Norte, Lanao del Sur, Zamboanga del Sur, and Zamboanga del Norte. The subsector comprised 17.4 percent of the total services sector in 2015.

In 2016, the cargo handling performance for domestic and foreign ship calls posted 3.1 percent and 18.2 percent increases,

respectively. As the country's main exporter of agricultural products and live animals for domestic consumption, total cargoes handled by the region's ports posted 12.78 percent increase from the 2015 level. Aside from sea cargo, air cargo<sup>3</sup> also posted an increase. For 2014 alone, total cargo traffic increased by 9.67 percent, from 4.13 million kilograms in 2013 to 4.532 million kilograms in 2014. The improvement and upgrading of key arterial highways and new road openings since 2014 also contributed to the substantial growth rate of the region.

The complementary growth in logistics and transportation services in a growing economy like Region X is very important. Trucking and shipping costs constituted approximately 85 percent<sup>4</sup> of the total logistics costs among exporters in the region.

Therefore, the following challenges must be addressed to facilitate the growth of the logistics and transportation services in the region:

*Limited improvement in port infrastructure that address existing demand.* The capacity of the logistics and transportation service providers to compete is hampered by the inadequate hard infrastructure, especially in coastwise transportation services (refer to Chapter 19 for further details). The passage of RA 10688 or the Foreign Ships Co-Loading Act in 2015, and the potential expansion of the Mindanao Container Terminal (MCT) port could facilitate the improvement of logistics and

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<sup>3</sup> Details in Chapter 17: Infrastructure Development

<sup>4</sup> Confederation of Philippine Exporters 10. (2010). *Shipping cost and competitiveness in Northern Mindanao* "A closer view of Northern Mindanao's State of Competitiveness." Cagayan de Oro City

transportation services in Northern Mindanao. Moreover, MSME innovativeness in terms of providing non-conventional logistic and storage service business models remains a challenge in addressing the needs of the small farmers and rural cooperatives.

**Table 10.3. Comparative shipping and cargo statistics, Region X, Annual 2015 and 2016**

INDICATOR	TOTAL		
	2015	2016	% CHANGE
<b>SHIPCALLS (No.)</b>	18,214	18,800	3.22
Domestic	18,066	18,625	3.09
Foreign	148	175	18.24
<b>CARGO (MT)</b>	6,654,881	7,505,314	12.78
<b>Domestic</b>	5,848,919	6,268,766	7.18
Inbound	3,045,343	3,363,321	10.44
Outbound	2,803,576	2,905,445	3.63
<b>Foreign</b>	805,962	1,236,548	53.43
Import	778,394	1,207,498	55.13
Export	27,568	29,050	5.38

Source: Philippine Ports Authority (Cagayan de Oro, Iligan, and Ozamiz Cities)

## Information and Communications Technology Business Process Outsourcing (ICT-BPO)

ICT is given special emphasis in the previous planning period as the two major cities in the region, Cagayan de Oro and Iligan were considered part of the Philippines' Cyber Corridor. As of 2008, there were four PEZA accredited IT Parks and Buildings in Cagayan de Oro City. In terms of institutional support, the Cagayan de Oro ICT Business Council and the Iligan ICT Council were created.

Given the limited data, ICT in the region exhibited a lackluster performance. Currently, there are still few players in the sector, thereby not optimizing its job generation role as compared to other regions that have advanced ICT development, such as the National Capital Region (NCR), Cordillera Administrative Region (CAR), and Cebu City. In 2012, there were only four registered contact centers in Cagayan de Oro City, namely, the Concentrix Corp.; the Arriba Telecontact, Inc.; the Capitol University Call Center; and the FBC Worldwide Business Solutions. New major players, like the Teleperformance (of the Ayala group), have also started locating in Cagayan de Oro in 2016.<sup>5</sup>

<sup>5</sup> [http://ph.teleperformance.com/media/2651911/pr-teleperformance-arrives-in-cagayan-de-oro\\_v5\\_080816.pdf](http://ph.teleperformance.com/media/2651911/pr-teleperformance-arrives-in-cagayan-de-oro_v5_080816.pdf)

*Poor investments along ICT.* One of the main challenges that was raised among ICT industry players on why IT Business Management and IT Business Process Outsourcing could not take off in the region is the sweeping generalization of Mindanao's security issues. This poses fear among prospective investors as most of them are internationally-affiliated. Moreover, the low hiring rate,<sup>6</sup> due to lack of necessary BPO skills requirement of the existing job seekers, also inhibit the growth of the BPO services in the region, particularly in Cagayan de Oro City. Aside from traditional IT BPM and BPO services, rural areas that are connected to the internet are not yet optimized to utilize home-based and community-based outsourcing activities. The existing initiatives indicated in the ICT development plan, such as the rural BPOs, is a potential service industry that would not only provide incremental income or even alternative income to farmer households but may have spill over benefits to farmer households, in terms of access to worldwide information, and increasing capacity in ICT services in rural areas.

*Limited awareness of consumer rights, safety, information and prices.* For all subsectors namely tourism, logistics and transportation and ICT, consumers still lack awareness of consumer rights, safety, information, and prices. In a study by the DTI, about 23 percent of the consumers surveyed expressed that they are still unaware of their rights.<sup>7</sup>

## Strategic Framework

The services sector shall complement the industry sector, as well as the agriculture sector, in expanding economic opportunities for the people in Northern Mindanao. Transport and communications, commercial services, education services, hospitality services, and real estate services shall primarily drive the growth in the services sector.

Moreover, rural and urban job opportunities shall be pursued through the development of nature-based and agri-tourism in the countryside. More players in the logistics and transportation and ICT-BPO sectors in highly urbanized cities, town centers, and potential rural areas shall be encouraged. Aside from attracting international players in the services sector, the entrepreneurial capacities of women and young entrants in the labor force shall be harnessed by providing a business climate for a healthy competition, and a level playing field for creative and innovative ideas. These can be achieved through the expansion of e-commerce, utilization of social enterprise approaches, and expanding more centers of excellence in the education services for tourism and hospitality services, ICT and logistics, and supply chain, among others.

At the end of the plan period, the services sector shall be expanded by encouraging local and foreign investments; improving competitiveness, innovativeness, and resilience of MSMEs and cooperatives;

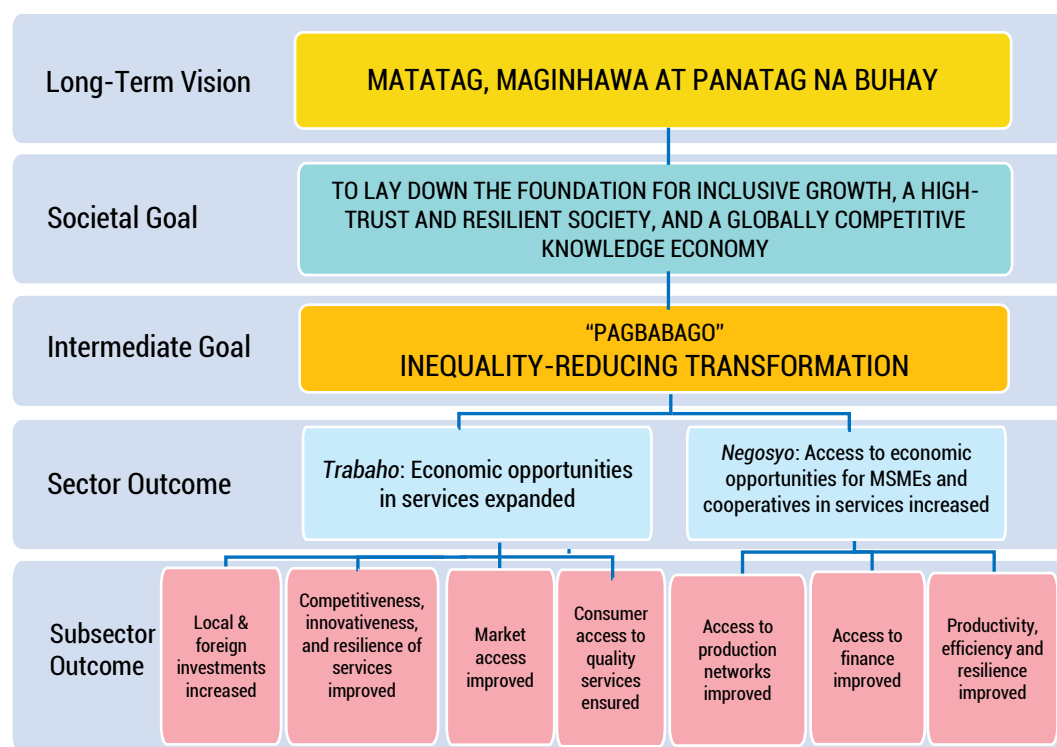
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<sup>6</sup> De la Cruz, G.G. "Cagayan de Oro's Call Center industry struggles to keep pace with other areas." *Business World online* (Cagayan de Oro city) accessed/retrieved on 17 May 2011.

<sup>7</sup> <http://www.bworldonline.com/content.php?section=Extra&title=cagayan-de-oros-call-center-industry-struggles-to-keep-pace-with-other-areas&id=31399>

improving access to markets and production networks; and improving access to finance. These strategies shall reduce the inequalities in rural and urban job opportunities, and laying down a stronger foundation for inclusive growth in the region.

**Figure 10.1 Strategic framework for expanding economic opportunities in Services through Trabaho and Negosyo**



### Sector Outcome 1: Trabaho: Economic opportunities in services expanded

#### Subsector Outcome 1.1: Local and foreign investments increased

**Strategy 1: Provide transparent policies, processes, and procedures to increase tourism investments, and other hospitality and recreation services**

- Review of existing policies and laws on ecotourism development that would balance the achievement of sustainable tourism development

objectives of the Department of Tourism, Department of Environment and Natural Resources, and the local government units;

- Capacity building of local government units along ICT e-readiness, and local enterprise development through hospitality and tourism services; and
- Streamline processes for tourism related costs, such as payment for passenger fees in seaports.
- Strongly support the implementation of the National Tourism Development Plan for 2017-2022 and other sectoral plans.

**Strategy 2: Strengthen local and private sector collaboration for image building, and investment promotion of Northern Mindanao (details in Chapter 15 - Peace and Development, and Chapter 16 - Security and Public Order)**

- Conduct quad media and positive journalism campaign to promote Northern Mindanao in international markets, utilizing the presence of existing multinational corporations (MNCs) located in the region;
- Create a regional marketing campaign for Northern Mindanao; and
- Activate the convention's bureau espoused by Promote CDO.

**Strategy 3: Open up urban centers and strategic town centers for strong private sector and local government collaboration in investing in business process outsourcing and tourism**

- Update and review local and national incentives in the development of tourism, ICT and logistics and freight forwarding services;
- Revitalize and reorganize the Regional Information Technology and e-Commerce (RITECC) per RDC-X Resolutions No. 37 (s. 2000) and No. 3 (s. 2005); and
- Formulate a regional ICT roadmap for Cagayan de Oro-Iligan Industrial and Trade Corridor as ICT hub (per RDC-X Resolution No. 49, s. 2015).

**Strategy 4: Accelerate development and implementation of hard and soft infrastructure needs, especially along ICT and roads leading to domestic economic zones and tourism destinations**

- Accelerate implementation of existing infrastructure programs and projects and develop a seamless intermodal transport system to effect lower transportation costs from production areas to distribution centers and facilities. (Refer to Chapter 17); and
- Improve local institutions and industry relationships by providing preferential policies for local commercial establishments that commit to employ majority of local labor force and initiate service innovativeness.

**Subsector Outcome 1.2:  
Competitiveness, innovativeness  
and resilience of services sector  
improved**

**Strategy 1: Ensure healthy competition in domestic shipping services, other related logistics services, and tourism and hospitality services**

- Review of existing domestic shipping regulations;
- Monitor implementation of R.A. 10668 "Foreign Ships Co-Loading Act";
- Formulate the implementing rules and regulations of RA 10907 or the Camiguin Tourism Development Act;
- Expand e-commerce by putting forward local initiatives in freight forwarding services, such as the *shoplocal.ph*;
- Prepare concept note on the establishment of a regional supply chain and logistics technical working group;



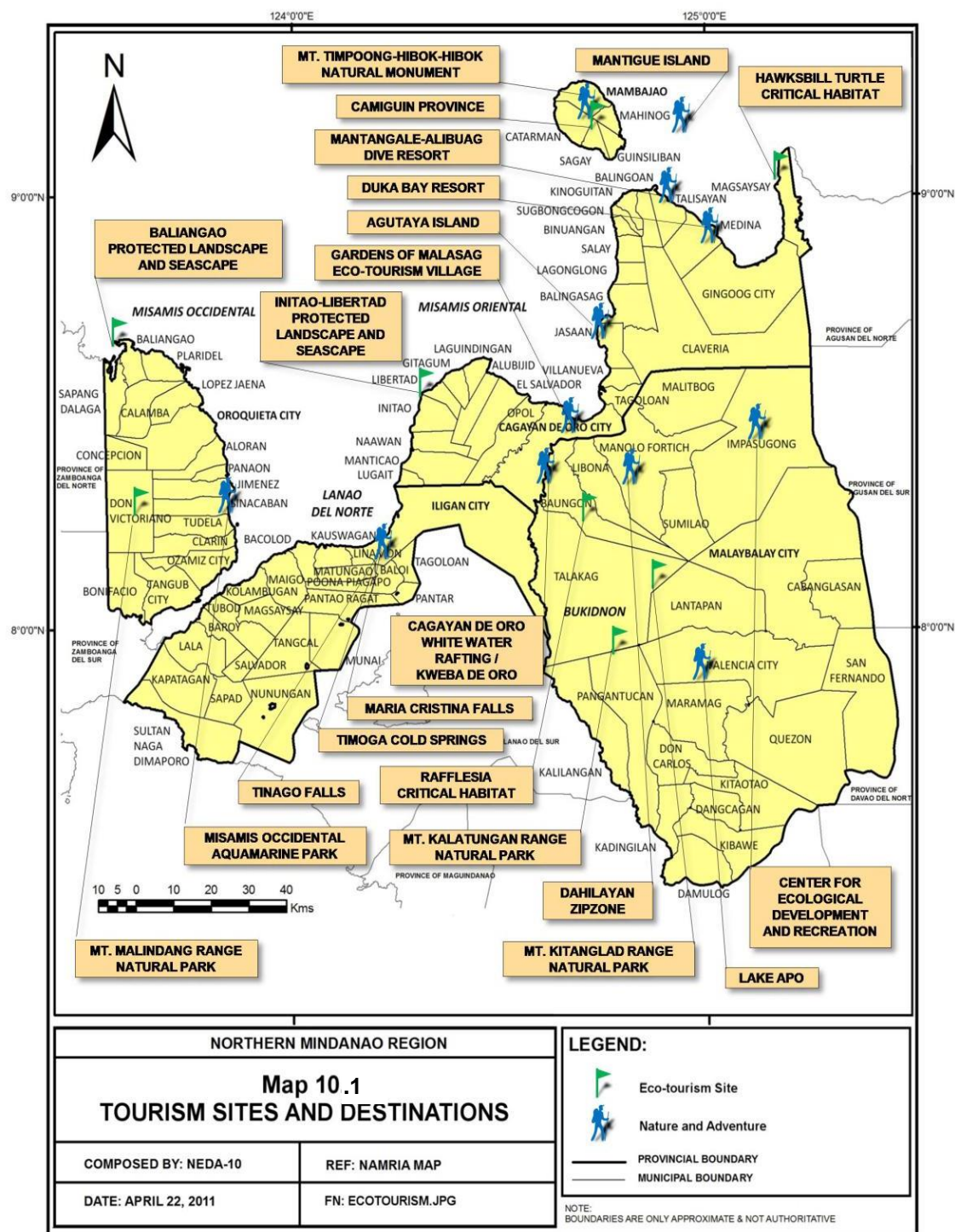
- Create a harmonized road traffic administration between and among local government units, road traffic administration, port traffic authorities, and national highway patrol group to reduce travel time of transporting goods from production areas to the port and distribution areas;
  - Study the establishment of the Iligan logistics hub;
  - Encourage cooperatives to study non-traditional logistics and freight forwarding business models that would cater to the needs of small farmers, fisherfolk, and marginalized producers in rural areas; and
  - Develop centers of excellence in tourism and hospitality services, ICT, and logistics and supply chain (Refer to Chapter 11).
- Strategy 2: Encourage sustainable consumption behaviors and production in the delivery of tourism products and hospitality services**
- Advocate for eco-friendly tourism standards and practices;
  - Advance community-based tourism products and services; and
  - Adopt social entrepreneurship models.
- Lanao del Norte, Misamis Oriental, Misamis Occidental, Camiguin and Bukidnon (Map 10.1 Existing tourism sites and destinations of Region X).
- Integrate culinary in existing tour packages;
  - Adopt farm tourism and ecotourism packages in rural areas in support to the 0 + 10-point socioeconomic agenda of the current administration;
  - Formulate tourism master plans for all local government units, using the tourism guidebook;
  - Formulate feasibility study on the construction of convention centers in Iligan City and Camiguin Island, and hi-tech and state-of-the-art information centers, especially in the regional center; and
  - Push for the implementation of existing tourism development plans for Cathedral waterfalls, Malinas Cave, Durano Peak, San Isidro Peak, among others.

**Strategy 3: Diversify tourism products and adopt proper marketing strategies**

- Package a regional tourism development program that incorporates tourism specific projects, addressing the tourism development and improvement needs of all the five provinces, and those identified in the updated National Tourism Development Plan for the provinces of



*Map 10.1 Tourism Sites and Destinations, Region X, 2016*



### *Subsector Outcome 1.3: Market access improved*

#### **Strategy 1: Provide necessary information related to the priority sectors**

- Conduct market study for both international and domestic tourism to strategize marketing and promotion activities;
- Develop a database of existing logistics and freight forwarding services in the region;
- Conduct familiarization tour, and production of updated collateral materials, such as tourist guide maps, websites, and other related materials;
- Integrate barrier-free tourism in tourism accreditation standards, especially tourism related infrastructures (per RDC-X Executive Committee Resolution No. 6, s. 2015); and
- Pursue ASEAN accreditation of skills, especially in hospitality services.

#### **Strategy 2: Expand e-commerce by encouraging more on-line market platforms**

- Provide market information on business start-ups for on-line market platforms and ICT related services;
- Conduct advocacy activities related to expansion of e-commerce;
- Mainstream informal commercial services to formal trade services; and
- Conduct study on profiling the informal sector, especially along commercial trade, and provide assistance in business development

through *Negosyo* centers and cooperatives.

### *Subsector Outcome 1.4: Consumer access to safe and quality goods and ensured*

#### **Strategy 1: Intensify consumer vigilance on product safety, value for money and access to quality goods and services**

- Sustain and intensify consumer awareness activities especially in rural areas; and
- Promote more quality consciousness campaign, particularly in secondary and tertiary schools, as well as maximize the use of multimedia.

#### **Strategy 2: Promote consumer protection**

- Sustain regional efforts on enforcing standards and regulations against unfair trade practices; and
- Intensify policies and implementation of policies against fraudulent business schemes.

*Subsector Outcome 2: Negosyo: Access to economic opportunities for MSMEs and cooperatives in services increased*

*Subsector Outcome 2.1: Access of MSME and cooperatives to production networks improved*

**Strategy 1: Upgrade and upscale One-Town-One-Product (OTOP) producers**

- Adopt the “big-brother, small brother” partnership between large enterprises and MSMEs;
- Expand the shared service facility program and other upgrading programs, such as the science and technology innovation support to MSMEs to existing OTOP producers to optimize government resources;
- Promote social entrepreneurship models to encourage more pro-poor business models and ensure inclusivity in enterprise-related interventions;
- Conduct more skills development training on frontline services for basic public transportation workers and accredit front line services;
- Study viability of tax credit for private services that are catering to tourist needs, such as gas stations providing toilet services to transient visitors; and
- Improve ICT connectivity, especially in rural areas, to expand more economic opportunities to these areas through various web-based information.

**Strategy 2: Link agriculture and fishery-based industries to national distribution centers and commercial services**

- Adopt farmer entrepreneurship program; and
- Enhance partnership of tourism-related establishments and local producers to standardize agricultural products.

*Subsector Outcome 2.2: Access to finance by MSMEs and cooperatives improved*

**Strategy: Facilitate access of MSMEs and cooperative to legitimate financing sources**

- Promote access to the credit surety fund program;
- Promote crowd funding financial mechanisms for cooperatives and microfinance institutions;
- Streamline loan processes for MSMEs; and
- Enhance financial literacy.

*Subsector Outcome 2.3: Productivity, efficiency, and resilience of the MSMEs and cooperatives improved*

**Strategy 1: Provide tax and non-tax incentives for MSMEs**

- Review the existing comprehensive tax reform package to include tax credit to firms that spend on research and development.

**Strategy 2: Intensify product development support to services, and capacity building at the local level**

- Roll-out the local economic enterprise manual for local government units;
- Pro-active delivery of business development and upgrading services through the Negosyo centers in existing and emerging growth centers in highly urbanized cities, component cities, and first and second-class municipalities; and
- Encourage entrepreneurship through business incubation centers.

## *Legislative Agenda*<sup>8</sup>

- 1) Review of Tourism Act of 2009 (RA 9593) especially in the implementation of Tourism Enterprise Zones (TEZs); and
- 2) Support and fast track passage of House Bill 2468, declaring Lanao del Norte as Tourism Development Area.

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<sup>8</sup> Support the same legislative agenda of Chapter 9

## Results Matrix

*Table 10.4 Results matrix for expanding economic opportunities in Services through Trabaho and Negosyo*

OBJECTIVES	INDICATOR	BASELINE		ANNUAL PLAN TARGETS						END OF PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
		YEAR	VALUE	2017	2018	2019	2020	2021	2022				
<b>Societal goal:</b> To lay the foundation for inclusive growth, a high-trust and resilient society and a globally competitive knowledge economy													
<b>Intermediate goal:</b> Reducing inequality ( <i>Pagbabago</i> )													
<b>Sector Outcome:</b> Expand economic opportunities in industry and services	Growth rate of gross value added in services sector increased (by subsector)	2010-2015	6.9	5.0-6.7	5.5-7.0	6.0-7.5	6.3-8.0	6.5-8.5	7.0-9.0	7.0-9.0	Annual GRDP results	PSA/NEDA	
	Employment generated from the services sector	2015	1,108,000	To be determined							Labor Force Survey/ Annual Philippine statistics report	PSA/NEDA	
	Automation in BPLS mainstreamed in highly urbanized cities, component cities and first and second class municipalities	2015	97% (9 cities and 11 municipalities)	All HUCs	All component cities	All component cities	All first class municipalities	All first class municipal -ities	All 2nd class municipal-ities	HUC, compone nt cities, 1st and 2nd class municipal -ities.	DTI-X monitoring report	DTI-X LGUs	
<b>Subsector Outcome 1.1:</b> Local and Foreign Investments Increased	DTI- monitored investments in servicing increased	2015	534 million	To be determined							Quarterly Regional Economic Situationer	DTI-X, NEDA-X	
	DTI-monitored investments in	2015	2.4 billion	To be determined							Quarterly Regional	DTI-X, NEDA-X	

OBJECTIVES	INDICATOR	BASELINE		ANNUAL PLAN TARGETS						END OF PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
		YEAR	VALUE	2017	2018	2019	2020	2021	2022				
	trading increased										Economic Situationer		
<b>Subsector Outcome 1.2:</b> Competitiveness, Innovativeness and Resilience of Services improved	Number of DOT-accredited primary tourism enterprises increased	2015	64	To be determined							Agency Report	DOT-X	
	Number of tourist arrival increased/sustained	2015	2.7 million	To be determined							Survey	HEIs/Regional Research Consortium	
	Percentage Share of domestic tourist arrival increased (by province)												
	Cagayan de Oro City	2015	24	24	22	22	22	21	21	21	DOT-X annual report, annual RDR		
	Iligan City	2015	6	7	7	8	8	10	10	10			
	Bukidnon, Malaybalay and Valencia City	2015	26	25	25	25	25	25	25	25			
	Camiguin	2015	23	22	22	21	21	21	21	21			
	Lanao del Norte	2015	1	1	2	2	2	2	2	2			
	Misamis Oriental and Gingoog City	2015	2	3	4	4	3	2	3	3			

OBJECTIVES	INDICATOR	BASELINE		ANNUAL PLAN TARGETS						END OF PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
		YEAR	VALUE	2017	2018	2019	2020	2021	2022				
	Misamis Occidental, Ozamiz City and Tangub City	2015	18	18	18	18	19	19	19	19			
Subsector Outcome 1.3: Market Access Improved	Percentage share of foreign tourist arrival increased by region of origin												
	ASEAN	2015	7	8	11	12	13	14	15	15	DOT-X annual report, annual RDR		
	East Asia	2015	27	26	25	25	26	27	28	28			
	North America	2015	23	24	24	24	24	24	24	24			
	Western Europe	2015	7	7	7	7	7	8	8	8			
	Australia/Asia and Pacific	2015	8	8	8	8	8	8	8	8			
<b>Subsector Outcome 2.1:</b> Access to Production Networks Improved	Number of destinations and firms that participated in Philippine travel mart and other tourism related marketing promotion by level increased	2015	To be determined								Agency Report	DOT-X	
	Domestic	2016											
	National	2016											

OBJECTIVES	INDICATOR	BASELINE		ANNUAL PLAN TARGETS						END OF PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
		YEAR	VALUE	2017	2018	2019	2020	2021	2022				
	International	2016											
Subsector Outcome 2.2. Access to finance improved	For specific indicators, refer to Chapter 9												
Subsector Outcome 2.3. Productivity, Efficiency and Resiliency improved													



11

Accelerating  
Human Capital  
Development



# Accelerating Human Capital Development

Human development is the process of increasing people's choices by expanding their human capabilities, functioning and opportunities, and at the same time, raising the level of their achieved well-being in a sustainable manner. Human development, therefore, focuses on people and the satisfaction of their basic needs.<sup>1</sup> This chapter is cognizant of three important elements in human development, namely, nutrition and health, lifelong learning opportunities, and income earning ability of the populace.

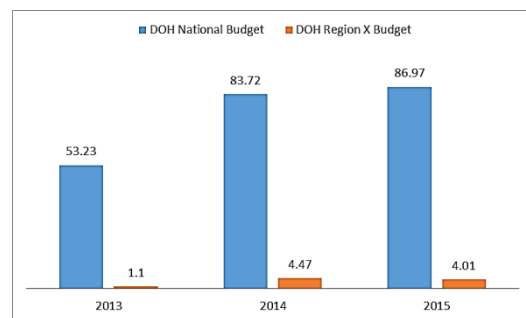
## Assessment and challenges

### Nutrition and health

The passage of the landmark health-related legislations such as the Sin Tax Reform Law (RA 10351), the Reproductive Health Act of 2012 (RA 10354), and the National Health Insurance Act of 2013 (RA 10606), among others, boosted the performance of the health subsector.

Specifically, the impact of the Sin Tax Reform Law can be seen in the overall increase in the approved budget of the Department of Health (DOH), starting in 2014 with portion of the revenues from excise tax financing the Universal Health Care program of the government. Although there was a general improvement in the performance of the health and nutrition

**Figure 11.1 DOH Approved Budget (PHP Billion) National and Region X, 2013-2015**



Source: DOH

subsector in the past five years, efforts shall be vigorously pursued to ensure a healthy population, especially the poor, by ensuring access to quality health services and facilities.

<sup>1</sup> <http://nap.psa.gov.ph/hdi>

## Health-related Millennium Development Goals (MDGs)

Of the eight MDGs, five are health-related. On MDG 1, the prevalence of underweight children (0-71 months old) in the region decreased from 5.77 percent in 2012 to 4.57 percent in 2015 (based on OPT results). However, the target prevalence in the plan and the MDG was not met at 3.5 percent.

Underweight and stunting both showed increasing trend in 2013 to 2015 for all three age groups: below five years old, five-10 years old, and 10-19 years old (DOST-FNRI). Overweight is also

increasing for 10-19 years old. Malnutrition is seen to contribute to both non-communicable diseases and communicable diseases when children are deprived of the proper nutrient during the first 1,000 days of life.

Malnutrition in the region is caused by a number of factors including those related to health care, and food intake with underlying socioeconomic and cultural factors, such as poverty and lack or limited education.

**Table 11.1 Prevalence rate of malnourished children, Region X, 2011, 2013, 2015**

AGE GROUP	2011	2013	2015
<b>Less than 5 years old</b>			
Underweight	21.9	17.6	20.4
Stunting	37.2	33.3	36.5
Wasting	7.3	7.0	4.0
Overweight for height	2.4	4.7	2.0
<b>5-10 years old</b>			
Underweight	32.8	28.5	27.6
Stunting	40.3	32.9	37.0
Wasting	7.4	5.1	4.5
Overweight for height	4.0	6.7	5.0
<b>10-19 years old</b>			
Stunting	45.6	37.9	39.2
Wasting	10.0	6.8	8.9
Overweight for height	5.0	7.1	7.3

*Source: 2015 Updating of the Nutritional Status of Filipino Children and other Population Groups, FNRI, DOST*

On MDG 4, the infant mortality rate of 6.1 per 1,000 livebirths in 2015 achieved its plan and MDG targets. However, the under-five mortality rate per 1,000 livebirths of 9.92 in 2015 did not meet its end-of-plan target of 6.27. The coverage

of fully immunized children posted a declining trend from 85.16 percent in 2012 to 84.38 percent in 2015, lower than its target of 93 percent.

On MDG 5, maternal mortality rate of 70.7 per 1,000 livebirths in 2015 is way beyond the plan and MDG target of 52. Relatedly, the coverage of maternal health services such as births attended by skilled attendants (84.57%), facility-based deliveries (82.57%), and pre- (71.44%) and post-natal care (68.03) in 2015 were higher than the baseline in 2012 but lower than the 2015 plan and MDG targets. Contraceptive prevalence rate increased from 42.35 percent in 2012 to 52.99 in 2015, although lower than the plan target of 60. Meanwhile, the coverage of mothers immunized against tetanus is very low at almost 30 percent.

On MDG 6, significant progress is noted for tuberculosis mortality rate at 5.16 per 100,000 population in 2015 as compared to its plan/MDG target of 9.5. Tuberculosis morbidity rate substantially declined to 24.74 per 100,000 population in 2015 as compared to its plan/MDG target of 60. In 2015, malaria morbidity rate per 100,000 population was 1 from zero incidence in 2013-2014.

On MDG 7, households' access to safe water reached 94.05 percent in 2015, lower than the plan target of universal coverage (100%). The same trend is noted for household access to sanitary toilets at 80.69 percent in 2015, lower than the plan and MDG target of 88 percent.

### **Provision of healthcare and services**

The targeted or standard health manpower to population ratios, except for nurses, during the period 2011-2015 were not attained particularly for physicians,

sanitary inspectors, dentist and even midwives.

The ratio of one Botika for two barangays (1:2) was achieved during the period. This was complemented with the availability of Retail Outlet of Non Prescription Drugs (RONPD) in every barangay and the provision of manpower complement to the LGUs through the Nurse Deployment Program (NDP) and Rural Health Midwife Placement Program (RHMPP).

The NHIP high coverage rate of 98 percent in 2015 is expected to improve accessibility to quality health services particularly by the poor and vulnerable population in the region. Contributing to the high coverage included the 1) health insurance premium payment of the Quantile 1 and 2 of the poor Filipino households (with the proceeds of the Excise Tax per RA 10351); 2) the automatic coverage for the senior citizens (per RA 10645); and 3) the inclusion as beneficiaries of the households identified under National Health Targeting System for Poverty Reduction (NHTS-PR).

As the overall health sub-sector transition from the MDG to the Sustainable Development Goals (SDGs) and new health thrusts of the present administration, the following are the challenges:

*Inadequate financing for health at the local level.* The devolution in the provision of health services did not result to all LGUs taking an active role in delivering health services at the local level. Concerns, such as the LGU's less or limited priority for health as manifested by less than five percent allocation in the total budget, uncertain

security of tenure for health personnel, tedious bidding processes in purchasing medicines and equipment, insufficient number of trained personnel, low salaries and compensation for health workers, insufficient equipment and supplies, and lack of transportation vehicle for ambulatory services, among others, continue to persist.

*Gaps in health services provision especially in Geographically Isolated and Depressed Areas (GIDAs).* There are still areas that remain inaccessible making the delivery of health services very hard, if not impossible. Areas where armed conflicts exist (i.e., communist insurgency and clan warfare) remain to be the most hard to reach areas. Indigenous peoples (IPs) in remote areas are in need for more culture-sensitive health services and facilities. The LGUs lack ambulatory services due to constraints of health personnel, equipment and supplies.

*Emerging threats such as infectious diseases, lifestyle-induced non-communicable diseases and other health issues*

- The increased mobility across the country and the world brought about the risk of introducing infectious diseases, such as Severe Acute Respiratory Syndrome (SARS), Avian Influenza, Ebola, and the Middle East Respiratory Syndrome Coronavirus (MERS-CoV) and Zika virus infection, among others. Negligence and abuse in the use of prescription drugs also contributed to the occurrence of drug resistant infections, such as Multi-Drug-Resistant Tuberculosis (MDR-TB). High risk behaviors also

contribute to the prevalence of HIV-AIDs in the region. Men having Sex with Men (MSM) was one of the causes of HIV infection.

- With sedentary lifestyle, lack of physical activities, easily accessible and readily available fast food items, excessive smoking and alcohol consumption, and polluted water and air, increase the risk to lifestyle diseases and complications (i.e., hypertension, heart ailments, diabetes, etc.).
- Increased frequency and intensity of disasters, both man-made and natural, put the lives of people at greater risk of injuries and even death.
- Inadequacy or absence of proper waste management, including the improper disposal of medical and other hazardous wastes.

*Gaps in the access to reproductive health services especially the full implementation of the RPRH Law.* The availability of supplies and trained personnel to administer reproductive health commodities, limited LGU participation, existence of opposition, and the various misconceptions on the RPRH still remain as obstacles in the performance of the overall population management.

*Substance abuse.* With the current effort of the present administration to stamp out criminality especially drug abuses, LGUs and relevant agencies (i.e., DILG, PNP, DOH, and DSWD) are flooded with influx of surrenderers seeking rehabilitation. The increasing number of surrenderers overwhelmed the current capacity of the

concerned agencies to respond especially the availability of rehabilitation facilities, medicines, and trained personnel, among others.

*Mental health concerns.* Absence of a regional mental health facility, including the lack of available preventive and treatment programs and available mental health practitioners (such as psychologists, psychiatrists, psychiatric nurses, and counselors) aggravated the already poor conditions of this vulnerable group. Tedious process and lengthy documentation hindered referral to health facilities specialized for mental conditions that are located outside the region.

*Triple burden of diseases.* While the region continues to experience a decline in the prevalence of under-five malnutrition, undernutrition (i.e. underweight, stunting, and wasting) and over-nutrition (i.e., obesity and overweight) still exist in some areas in the region. The regional prevalence and the magnitudes of wasting, stunting, micronutrient deficiencies and overweight among children and women are high and of public health significance. In disease management, people living with HIV-AIDS are at high risk of contracting opportunistic infection (i.e. tuberculosis) due to immune deficiency. Among the general public, the poor sector of the population experience the greater risk of sliding deeper in poverty due to increasing frequency and intensity of disasters and high cost of medication and hospitalization.

*Data gaps.* Lack of available and disaggregated data on some health indicators including mental health delimit

a substantive analysis of the various health concerns and identification of targeted interventions. Various health sub-sector agencies lack convergence in the sharing and processing of health and nutrition data.

## **Basic, higher and technical education**

Various development initiatives and reforms have been undertaken which resulted to increased access and improved quality of education. However, there are key targets that were missed and should be addressed during the plan period.

## **Basic Education**

Learning efficiency improved for elementary and secondary levels. However, significant strides should still be undertaken to enhance learning efficiency. The efficiency of the subsector in keeping the pupils and students in school and moving them to the next grade or year level improved in SY 2010-2011 and SY 2015-2016. In between, the performance of the subsector had been erratic.

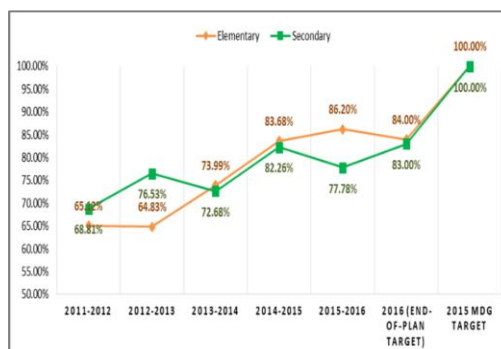
Cohort survival rates (CSR) improved for both the elementary and secondary levels - from 65.1 percent in SY 2011-2012 to 86.2 percent in SY 2015-2016 for the elementary level; and from 68.8 percent to 77.8 percent of the same periods for the secondary level. While the subsector already achieved its end-of-plan target of 84 percent for the CSR in the elementary level, surpassing it by 2.2 percentage points

from the SY 2015-2016 period, it fell short of the 2015 MDG target of 100 percent CSR by 13.8 percentage points.

For the secondary level, the CSR fell short by 5.2 percentage points of its end-of-plan target of 83 percent and by 22.2 percentage points of the MDG target of 100 percent (Figure 11.2).

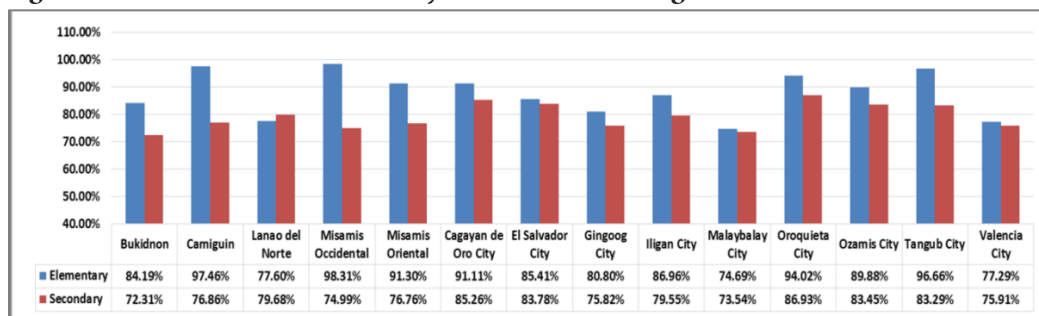
For SY 2015-2016, the Misamis Occidental School Division registered the highest CSR at 98.3 percent for the elementary level, while the Oroquieta City School Division had the highest CSR at 86.9 percent for the secondary level (Figure 11.3).

**Figure 11.2 Cohort survival rates, Region X, SYs 2011-2012 to 2015-2016, 2016 (end-of-plan target) and 2015 MDG target**



Source: DepEd-X

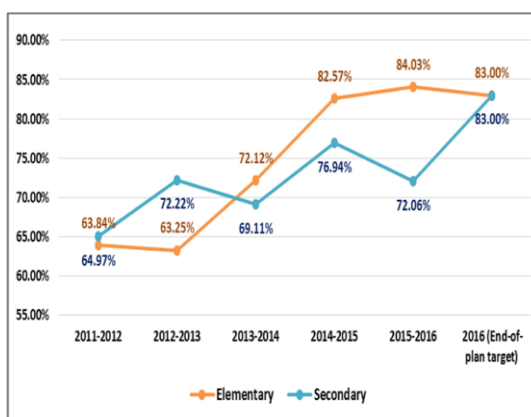
**Figure 11.3 Cohort survival rates, by school division, Region X, SY 2015-2016**



Source: DepEd-X

The schools' holding power can be determined by the level of rates for completion and dropouts. Completion rates for the elementary level displayed favorable trends. From SY 2011-2012, it grew by 20.2 percentage points during SY 2015-2016 – from 63.84 percent to 84.03 percent, surpassing the 2016 end-of-plan target of 83 percent. That of the secondary level also improved by 7.08 percentage points during the same periods – from 64.97 percent in SY 2011-2012 to 72.06 percent in SY 2015-2016.

**Figure 11.4 Completion rates, Region X, SYs 2011-2012 to 2015-2016 and 2016 (end-of-plan target)**



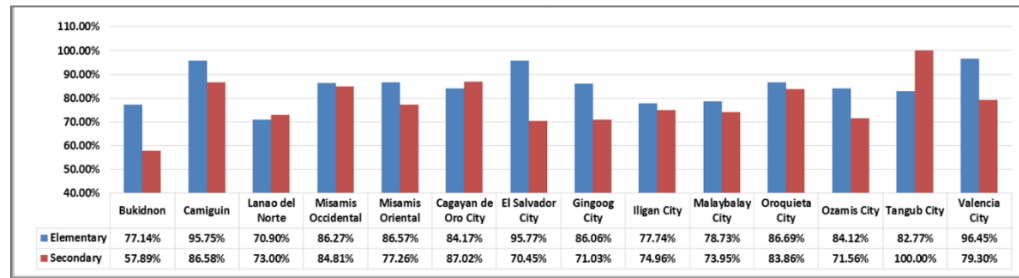
Source: DepEd-X



The trend, however, had been erratic. The highest growth happened in SY 2014-2015 at 76.94 percent; the 2016 end-of-plan target of 83 percent was not achieved (Figure 11.4). For SY 2014-2015, the Valencia City School Division registered

the highest completion rate at 96.45 percent for the elementary level and the Tangub City School Division at 100.00 percent for the secondary level (Figure 11.5).

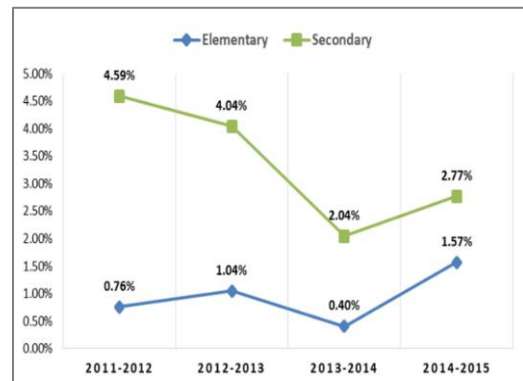
**Figure 11.5 Completion rates, by school division, Region X, SY 2014-2015**



Source: DepEd-X

Dropout rates displayed erratic trends for SY 2011-2012 to SY 2014-2015. For the secondary level, dropout rates declined by 1.82 percentage points from 4.6 percent in SY 2011-2012 to 2.8 percent in SY 2014-2015, which was contrary for the elementary level, posting an increase by 0.81 percentage points from 0.76 percent to 1.57 percent during the same period. Both educational levels were at their lowest in SY 2013-2014 at 0.4 percent for the elementary, and 2.04 percent for the secondary level (Figure 11.6). The schools division of El Salvador and Camiguin posted the lowest dropout rates at 0.33 percent and

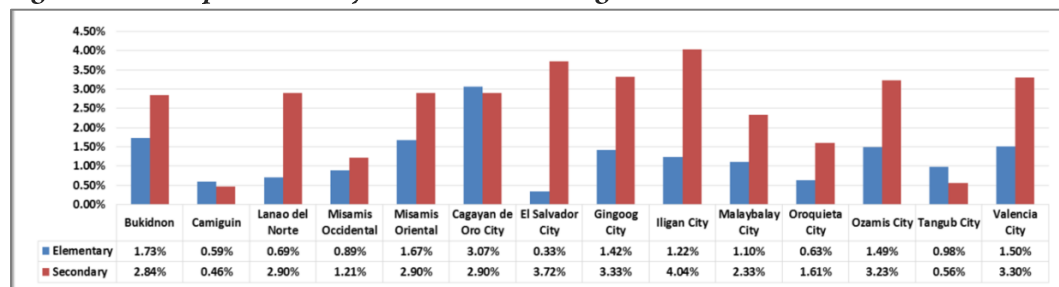
**Figure 11.6 Dropout rates, Region X, SYs 2011-2012 to 2014-2015**



Source: DepEd-X

0.46 percent for the elementary and secondary levels, respectively (Figure 11.7).

**Figure 11.7. Dropout rates, by school division, Region X, SY 2014-2015**



Source: DepEd-X

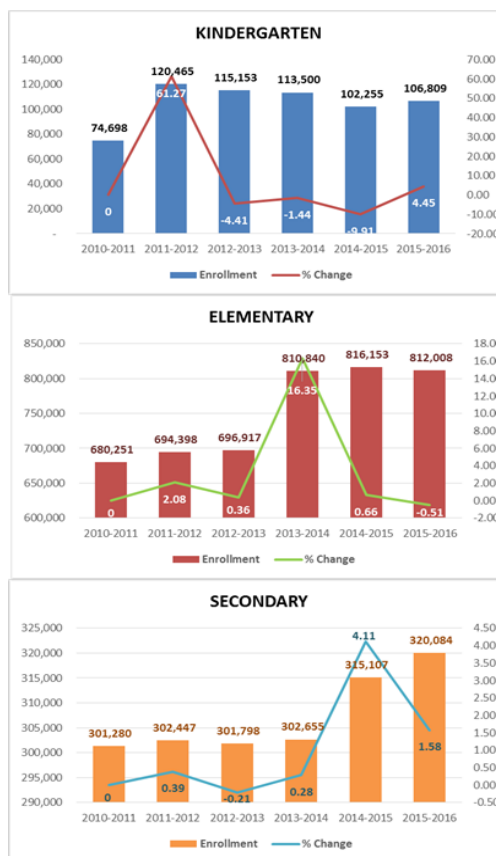
Enrollment rates in elementary and secondary levels increased but not for the kindergarten level. Enrollment in the elementary and secondary levels increased from 2011 to 2015. However, enrolment in the kindergarten declined by 11.3 percent.

Figure 11.8 shows the actual and percent change in enrollment for all levels on an annual basis, from SY 2010-2011 to SY 2015-2016. It is noted that with the implementation of the K to 12 program in the country beginning SY 2011-2012, enrollment in kindergarten shoot up by 61.3 percent from the previous school year. The K to 12 program required the Universal Kindergarten system, making kindergarten classes mandatory or compulsory in all public elementary schools.

Among the 14 schools division in the region, for SY 2012-2013 to SY 2015-2016, only El Salvador City and Valencia City posted increases in enrollment in the kindergarten level at 3.3 percent and 2.9 percent, respectively. The schools division of Gingoog City and Camiguin posted the highest declines at 22.1 percent and 20 percent, respectively.

Total enrollment for Senior High School (SHS) in SY 2016-2017 reached 66,973 students – seven percent over the 62,109 projected first cohort of learners for the SHS. Around 57 percent of these Grade 11 students enrolled in public schools; while the rest in private schools.

**Figure 11.8 Enrollment for all levels, Region X, 2010-2015**

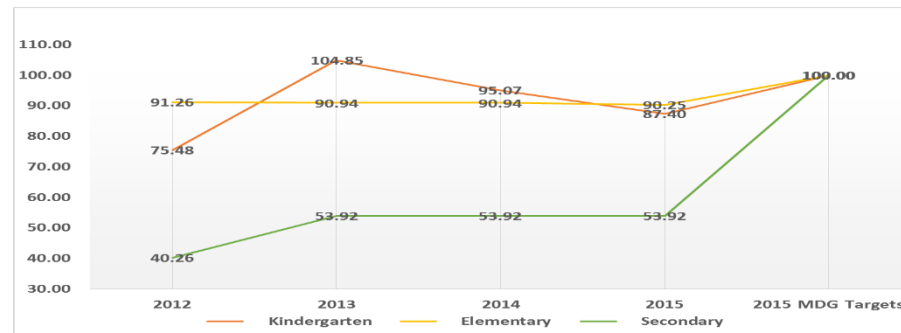


Source: DepEd-X

On the other hand, while net enrollment rates (Figure 11.9) generally improved from 2012 to 2015 for all levels, the rates were

declining for kindergarten and elementary and remained constant for the secondary level.

**Figure 11.9 Net enrollment rates for all levels, Region X, 2012-2015 and 2015 MDG targets**



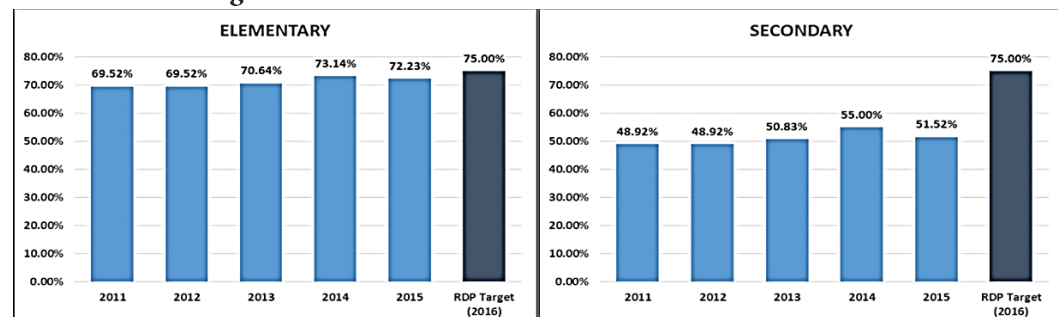
Source: DepEd-X

Overall, the net enrollment rates for all levels are far below the 2015 MDG target of 100 percent.

*Raising the quality of education remains to be a challenge.* To determine the quality of basic education, the region looked at the improvements in learning outcomes of its learners.

The average achievement rates for public schools were gauged through the performance of pupils and students in the National Achievement Test (NAT). In 2015, the mean percentage scores (MPS) for the elementary level was posted at 72.2 percent, and 51.5 percent for the secondary level. Both rates were below the end-of-plan target of 75 percent. Figure 11.10 shows the NAT-MPS of public elementary and secondary schools in the region for the period 2011 to 2015.

**Figure 11.10 Performance in National Achievement Test (NAT), Region X, 2011-2015 and RDP 2016 target**



Source: DepEd-X

As of SY 2014-2015, teacher to pupil ratio was 1:36 for the elementary level, and 1:27 in the secondary level. The teacher-student ratios in both levels were not within the standard of 1:25<sup>6</sup> (Table 11.2). For the schools division of Cagayan de Oro, El Salvador, Malaybalay and Valencia, every teacher handled an average of more than 40 pupils for the elementary level. In the schools division of Bukidnon, Lanao del Norte, Misamis Occidental, El Salvador and Malaybalay, every teacher handled more than 28 students for the secondary level.

*Teacher to student or pupil ratios in elementary and secondary levels were below standards; Most classrooms are still*

congested. With the standard classroom to pupil ratio of 1:45, the problem of classroom shortage is evident in the secondary level with one classroom for every 4 students (SY 2013-2014). While the regional ratio for the elementary level is within the standard, there are a number of schools experiencing congestion of students in classrooms. In the school division of Cagayan de Oro City, each classroom even accommodated an average of 49 pupils for the elementary level, and around 56 students for the secondary level. The schools division of Misamis Oriental and Valencia City also accommodated more than 50 students in a classroom for the secondary level.

**Table 11.2 Teacher and Classroom to Pupil/Student Ratio, Region X, SYs 2011-2015**

SCHOOL YEAR	TEACHER – PUPIL/STUDENT RATIO		CLASSROOM – PUPIL/STUDENT RATIO	
	ELEMENTARY	SECONDARY	ELEMENTARY	SECONDARY
2011-2012	1:42	1:38	1:42	1:34
2012-2013	1:41	1:36	1:35	1:49
2013-2014	1:41	1:34	1:34	1:47
2014-2015	1:36	1:27	No data	No data

*Source of basic data: EBEIS, DepEd-X*

The subsector continued to be beset with the following challenges:

- Effective attainment of learning standards remains as the foremost challenge in the current and long term period. Hence, there is a need to improve the quality of basic education;
- The need to increase enrollment at all levels, focusing more closely on enrollment for the kindergarten level;
- Address the lack of IP teachers;
- Respond to the need to increase ALS uptake;
- The need to strengthen the holding power of teachers and schools to sustain the increases in school participation rate;
- The need to review the efficiency of the implementation of 4Ps (*Pantawid Pamilya Program*) in keeping the pupils or students in school; and

<sup>6</sup> Per DepEd Order No. 88, s. 2009

- Address the concerns on the observed presence of violence in schools (i.e., bullying, teacher-student conflicts, etc.) to improve school efficiency;
- Unmet classroom needs due to the delay in the delivery of classrooms due to not passable access roads, and unfavorable peace and order condition during construction;
- Congested classrooms - The existing standard of 1:45 classroom to pupil or student ratio is still very congested, hence, not conducive to learning;
- The need to relocate schools exposed to natural hazards to safe areas;
- The need to improve the DepEd-X's absorptive capacity as evidenced by the low utilization of funds for programs and projects due to the very delayed issuances of guidelines from the Central Office, resulting to unjustifiable delay in the implementation of programs and projects, and delivery of educational materials; and
- The need for accurate database system for basic education including the number of classrooms constructed, number of teachers hired, number of school seats and desks distributed, number of computer packages supplied, number of instructional materials delivered, and SPED enrollment, among others.

## Higher Education

For the period 2011-2015, the higher education sector continuously improved its access and quality, including support to the implementation of the K to 12 Program. The sector aligns its thrusts and priorities to meet the global requirements, as well as that of the ASEAN Integration which is to “develop human resources through closer cooperation in education and lifelong learning, and in science and technology for the empowerment of the peoples of the ASEAN, and for the strengthening of the ASEAN Community”.<sup>7</sup>

*Increased number of accredited programs.* To rationalize the Higher Education Institutions (HEIs), the region maintains a total of 81 public and private HEIs. The region registered an increasing trend in the number of programs accredited. The total accredited programs in 2015 of 232 is 45 percent higher than end-of-plan target (2016) of 160. This can be attributed to the adherence to highest level of standards in instruction, research and extension services at the program level of most HEIs. However, there is still a need to streamline programs for the academe to meet the manpower requirements of the region, particularly for the industry, agriculture, and services sectors.

*Improved access to scholarships.* The Student Financial Assistance Program (StuFAP) posted increasing slots from a baseline of 3,907 in 2011 to 16,726 in 2014. The hefty increase in 2014 was due to all StuFAPs lodged in the CHED Regional

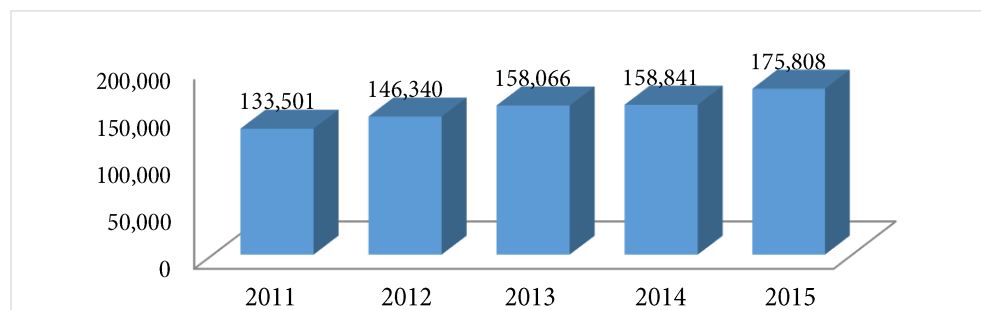
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<sup>7</sup> <http://www.asean.org/news/item/asean-leaders-statement-on-human-resources-and-skills-development-for-economic-recovery-and-sustainable-growth>

Offices, including those under the Congressional District Offices. The StuFAP slots in 2015 of 3,070 were higher than the end-of-plan target of 1,300. Since SY 2011-2012 to SY 2015-2016, a total of 1,475 scholars completed their degrees in the various availed scholarships.

*Enrollment.* The enrollment at the tertiary level slightly increased from 133,501 in 2011 to 175,808 in 2015. The total enrollment in 2015 was 32 percent higher than the end of plan target of 133,385.

**Figure 11.11 Higher education enrollment trend, Region X, 2011-2015**

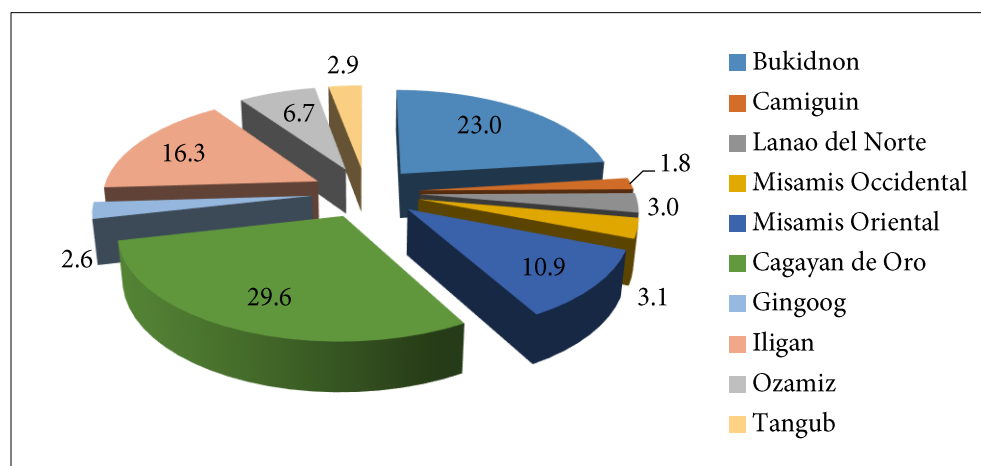


Source of basic data: CHED-X

Among provinces and cities, Cagayan de Oro remained to have the highest share of enrollees of about 30 percent in 2015,

followed by Bukidnon (23%), Iligan (16%), and Misamis Oriental (11%).

**Figure 11.12 Higher education enrollment (% share), by province/city, Region X, 2015**



Source of basic data: CHED-X

*Improved performance of universities and colleges.* There was a positive trend of HEIs' compliance to CHED's policies, standards, and guidelines (PSGs). This was manifested

in terms of increasing number of curricula evaluated from 56 in 2011 to 242 in 2015.

The number of Center of Excellence (COE) increased from 8 in 2011 to 14 in 2015. Meanwhile, the Center of Development (CODs) reached a total of 23 implemented in 11 HEIs in the region. In 2015, the COEs and CODs included the following:

SUC / HEI	COE	COD
Bukidnon State University		English
Cagayan de Oro College	Criminology	
Capitol University	Teacher Education	
Central Mindanao University	Agriculture Biology Forestry Veterinary Medicine	Environmental Science Mathematics
Liceo de Cagayan University		Radiologic Technology
Mindanao State University-Iligan Institute of Technology	Biology Chemistry Mathematics Physics Teacher Education	Ceramic Engineering Chemical Engineering Filipino Information Technology Marine Science Statistics Sociology
Mindanao State University-Naawan	Fisheries	Marine Science
Misamis University		Criminology
University of Science and Technology in Southern Philippines (USTP) <sup>8</sup>	Information Technology	Electrical Engineering Mathematics Agriculture
Xavier University	Agriculture	Biology Chemical Engineering Electronics and Communications Engineering Electrical Engineering History Literature Teacher Education

The challenges faced by the higher education are the following:

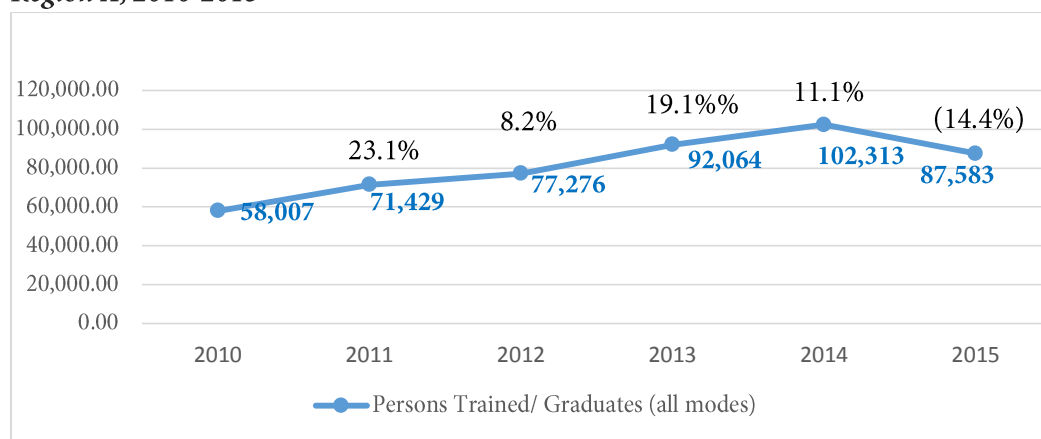
- a. Access to higher education remains low with the meager annual growth rate of six percent in enrolment from 2011 to 2015, and the declining number of graduates;
- b. The need to expand access to scholarship grants, especially by poor students;
- c. The need to address the requirements of the full implementation of the K to 12 transition program, such as capacity building of faculty and staff to minimize displacement;
- d. The need to ensure quality and relevance of higher education to seize employment opportunities of the ASEAN integration;

<sup>8</sup> Formerly Mindanao University of Science and Technology and Misamis Oriental State College of Agriculture and Technology

- e. The need for additional plantilla positions for teaching and non-teaching personnel;
- f. Low availment of research and development, extension, and innovative programs due to no clear-cut policy for qualified faculty; and
- g. The need for transparency on the implementation of tuition fee increase and other school fees.

## Technical Vocational Education and Training (TVET)

**Figure 11.13 Trend of TVET graduates in all training delivery modes, Region X, 2010-2015**



Source: Technical Education and Skills Development Authority-X

Increased availment to the various scholarship programs and other student financial assistance schemes, such as the Training for Work Scholarship Program (TWSP), Special Training for Employment Program (STEP), and Private Education Student Financial Assistance (PESFA) contributed to the improvement of access to TVET.

The skills training programs under the Bottom-Up Budgeting (BuB) also enabled TVET to reach more far-flung areas, thus, increasing the pool of skilled human resources. TVET graduates from all training delivery modes (enterprise-, institution- and community-based) have been increasing with an annual average growth rate of 9.4 percent over the last four

years, except for 2015 where there was a slight decrease due to the realignment of priorities and programs.

Strategies to ensure the Technical Vocational Institutions' (TVIs) compliance to TVET requirements and standards were also conducted, hence, targets were met annually on the number of accredited assessment centers, registered and regulated training programs, and certified TVET trainers.

The challenges remain on making the TVET programs responsive to the needs of the industries, and in capacitating the TechVoc institutions to offer programs with higher level qualifications in order not to duplicate those programs offered by the



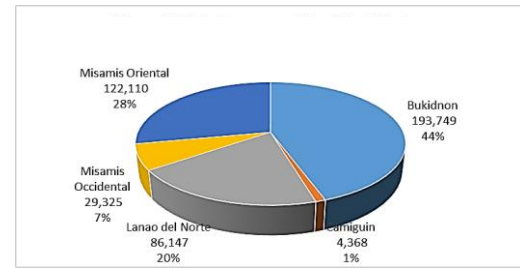
DepEd under the K to 12 program. The implementation of the Dual Training System Act of 1994 shall be strengthened to engage more industries in the immersion, apprenticeship, and on-the-job trainings of the students. The provision of allowance by the industries to the trainees which should not be below 75 percent of the applicable minimum daily wage, as stated in the DTS Act, is seen as a hindering factor and shall be reviewed to resolve the implementation issues. Present challenges also include the lack of qualified TVET trainers, and the inadequacy of equipment and facilities.

A study by the Asian Development Bank shows that the dual role of the TESDA, as a service provider and as a regulator to the private TVIs, also pose issues on the efficiency of the institution, hence, considered as one of the factors affecting the delivery of quality services.

There is also a need to address the challenges along the lack of English proficiency, relevant experience and overall personality development of the graduates<sup>9</sup>.

From 2011-2014, the average employment rate of the TVET graduates in the region was only 64 percent while that of the national level was at 65 percent. The Skills Demand Mapping Survey showed that the region has very high demand for agri-business related programs at 34,907<sup>10</sup> yet there is a declining interest of the young generations to pursue agriculture or agri-fishery courses.

**Figure 11.14 Laborers and unskilled workers, Region X, 2010**



*Source: Philippine Statistics Authority, 2010 Census of Population and Housing*

The rate of the assessed and certified skilled workers dropped in the previous years. This was due to the low response of the workers to the free Competency Assessment and Certification for Workers (CACW). Based on the CPH 2010 data on the Major Occupation of the Gainful Workers Ages 15 and Above, 30 percent or 435,699 of the total gainful workers was composed of Laborers and Unskilled workers, with the province of Bukidnon comprising the biggest share of 44 percent<sup>11</sup> (Figure 11.14). The TVET subsector shall focus on these groups of workers to equip them with appropriate skills and competencies to enhance employability.

<sup>9</sup> Based on the Labor Mapping Intelligence Report (LMIR) prepared by the TESDA Central Office in 2012 through conduct of regional consultations.

<sup>10</sup> LMIR, 2012

<sup>11</sup> Census on Population and Housing, 2010

## Labor and Employment

As presented in Chapter 2, while the region's labor force is growing by 1.5 percent annually in 2010-2015, coupled with an average employment rate of 94.8 percent, underemployment continued to persist with an average of more than 25 percent to the total employed. In 2014, the underemployed reached almost 500,000 persons.

Apart from underemployment, the sector still faces a number of challenges, such as low labor market participation of women,

child labor, youth unemployment, inadequate skills and competencies of the labor force, low labor productivity, and the need to provide more employment opportunities to the growing labor force.

*Labor force participation of women lower than men.* Over the period 2010-2015, the LFPR for women remained low at less than 60 percent as compared to the men of almost 82 percent on the average. There was not much difference between men and women in terms of employment and underemployment rates.

**Table 11.3 Selected labor force and employment indicators, Region X, 2010-2015**

INDICATORS	2010	2011	2012	2013	2014	2015
<b>Labor Force Participation Rate (LFPR)</b>						
<b>Total</b>	69.8	70.0	69.7	68.3	69.9	67.8
Male	81.7	81.5	81.8	81.5	81.7	79.8
Female	57.7	58.3	57.5	55.1	58.0	55.6
<b>Employment Rate</b>						
<b>Total</b>	95.0	95.5	95.3	94.3	94.5	94.4
Male	94.7	95.4	95.1	94.3	94.3	94.6
Female	95.5	95.7	95.7	94.3	94.8	94.2
<b>Underemployment Rate</b>						
<b>Total</b>	28.0	27.1	28.6	25.7	24.7	24.9
Male	30.9	29.7	31.4	29.2	28.1	27.4
Female	23.8	23.5	24.6	20.4	20.0	21.4

Source: 2016 Gender Statistics on Labor and Employment, PSA

Results of the 2010 Census of Population and Housing showed the following:

*Laborers and unskilled comprised the bulk (30% or 435,699 workers)* of the total gainful workers 15 years old and over, by major occupation group, in the region. This was followed by farmers, forestry workers, and fishermen at 28 percent. Both occupation groups imply low labor productivity, low salary and irregular or unstable or

seasonality of jobs (as discussed in the TVET sub-sector and Chapter 2). Professionals, technicians, and associate professionals comprised only 6.7 percent.

*Agriculture, forestry and fishing comprised the majority (46% or 669,379 workers)* of the total gainful workers 15 years old and over, by kind of business or industry, in the region which suggests that this sector is the

main source of income, and as such poverty is also widespread in said sector.

*Households, with no other land owned, comprised 65.7 percent, while those with one piece of land owned reached 34.3 percent of the total HHs in the region, which suggests the lack or limited assets or resources.*

*Prevalence of working children.* Region X posted a higher proportion of working

children of 13.6 percent in 2015 than the national level of only six percent. The decline has been slow from 258,000 in 2011 to 204,000 working children in 2015. In terms of age group, the proportion of working children is higher among 15-17 years old at 29.5 percent than the other age groups in 2015. Expectedly, the proportion of male working children was higher than the females during the period 2011-2015.

**Table 11.4 Working children 5-17 years old (in thousands), by age group, Region X, 2011-2015**

AGE GROUPING		2011	2012	2013	2014	2015
Total:	5-17 yrs. Old	258	242	204	235	204
	5-14 yrs. Old	141	122	97	120	100
	15-17 yrs. old	117	120	107	115	104
Male:	5-17 yrs. old	141	142	124	143	122
	5-14 yrs. Old	76	71	55	70	59
	15-17 yrs. old	65	71	69	73	63
Female:	5-17 yrs. old	117	100	80	92	82
	5-14 yrs. old	65	51	41	50	40
	15-17 yrs. old	52	49	39	42	41

Source: 2016 Gender Statistics on Labor and Employment, PSA

**Table 11.5 Economic activity rate of working children 5-17 years old (in percent) by age group, Region X, 2011-2015**

AGE GROUPING		2011	2012	2013	2014	2015
Total:	5-17 yrs. old	18.9	17.7	14.6	16.4	13.6
	5-14 yrs. Old	13.4	11.6	9.1	10.9	8.7
	15-17 yrs. old	37.5	37.7	32.5	35.0	29.5
Male:	5-17 yrs. old	20.3	20.3	17.4	19.3	16.1
	5-14 yrs. Old	14.3	13.2	10.1	12.3	10.2
	15-17 yrs. old	40.2	43.8	40.7	42.7	34.3
Female:	5-17 yrs. old	17.4	14.9	11.7	13.3	11.1
	5-14 yrs. old	12.5	9.9	7.8	9.4	7.0
	15-17 yrs. old	34.7	31.2	24.2	26.6	23.8

Source: 2016 Gender Statistics on Labor and Employment, PSA

Notes:

- Economic activity rate is the ratio of total working children to the total household population of children multiplied by 100.

- A child is considered working or economically active if at any time during the reference period he engaged in any economic activity for at least one hour. He may be studying, looking for work, and/or housekeeping at the same time.
- Statistical inquiries on working children focus on those aged 5-17 years old based on the definition of a child as an individual below 18 years old.

The rate of children (5-17 years old) not currently attending school (CNCAS) declined from 12.8 percent in 2011 to 10.1 percent in 2015 or about 151,000 children. However, the region's

proportion of CNCAS is higher than the national level of 8.8 percent or a total of 2.7 million in 2015. The proportion of CNCAS among 15-17 years old is higher than the 5-14 years old particularly for the male children.

**Table 11.6 Rate of children 5-17 years old not currently attending school (in percent) by age group, Region X, 2011–2015**

AGE GROUPING		2011	2012	2013	2014	2015
Total:	5-17 yrs. old	12.8	12.6	12.4	10.1	10.1
	5-14 yrs. Old	7.8	6.5	6.7	5.3	5.0
	15-17 yrs. old	29.8	33.0	31.0	26.4	26.6
Male:	5-17 yrs. old	14.1	14.7	14.3	12.3	11.9
	5-14 yrs. Old	9.1	8.2	8.1	6.7	6.1
	15-17 yrs. old	30.9	37.0	34.7	31.0	30.4
Female:	5-17 yrs. old	11.5	10.4	10.3	7.8	8.2
	5-14 yrs. old	6.5	4.8	5.3	3.7	3.9
	15-17 yrs. old	28.8	28.7	27.3	21.5	22.7

Source: 2016 Gender Statistics on Labor and Employment, PSA

Youth underemployment and unemployment continue to persist. This can be partly attributed to a relatively higher proportion of laborers and unskilled workers who are mostly in the agriculture,

forestry and fishery sector characterized with seasonality of work, low productivity, low wages, and vulnerability to climate changes and disaster risks.

**Table 11.7 Youth underemployment and unemployment rates (in percent) by age group, Philippines and Region X, 2011–2015**

AGE GROUPING		2011	2012	2013	2014	2015
Underemployment						
Total:	15-24 yrs. old	24.9	28.0	25.6	22.8	22.8
	15-30 yrs. old	25.7	27.9	25.6	24.8	23.6
Unemployment						
Total:	15-24 yrs. old	9.3	9.6	11.3	11.5	12.3
	15-30 yrs. old	9.1	9.0	10.7	10.4	10.7

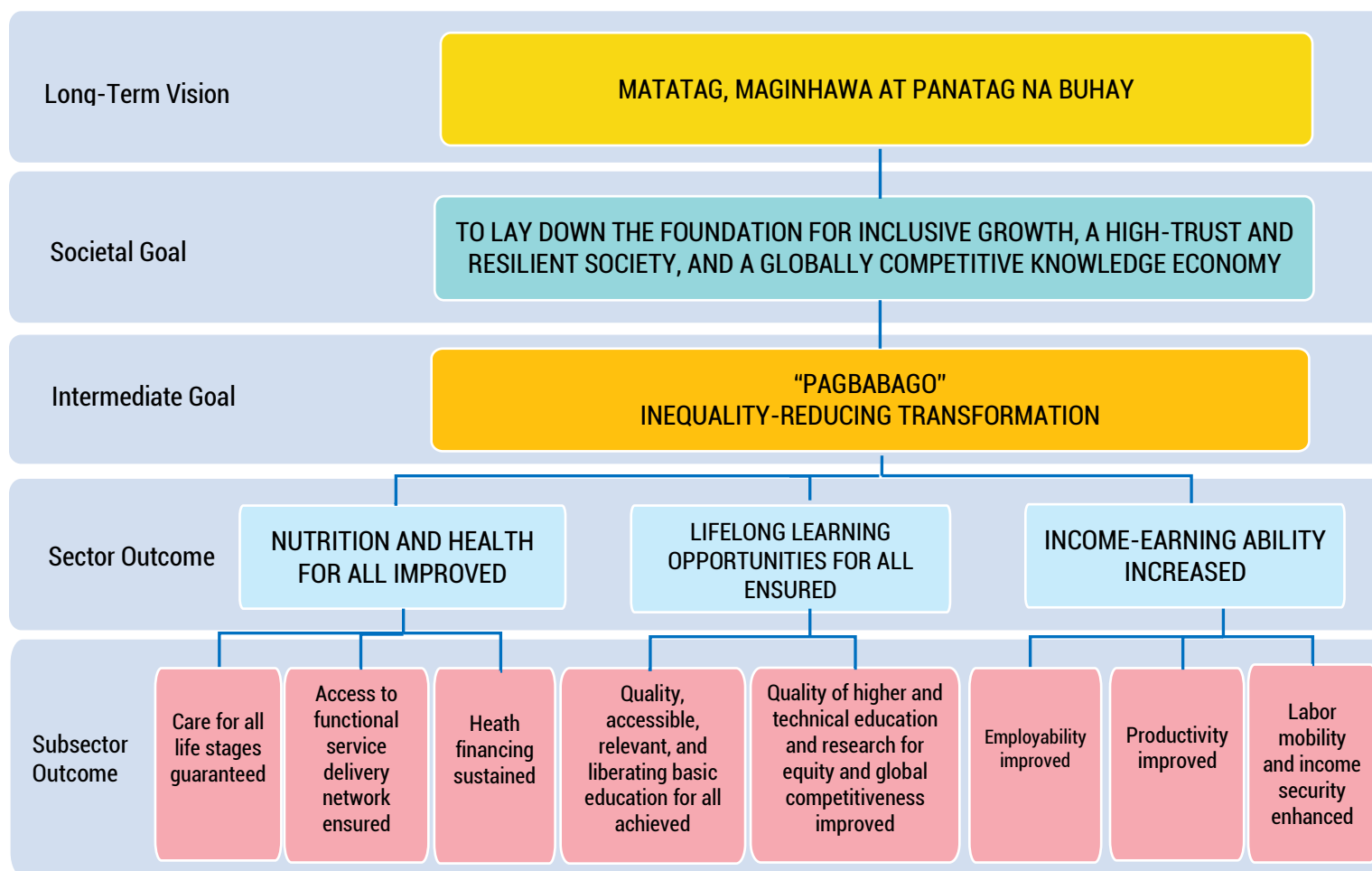
Source: 2016 Gender Statistics on Labor and Employment, PSA

*Limited domestic employment opportunities push Filipino workers to work abroad.* In 2015, Region X shared 2.8 percent of the total overseas Filipino workers (OFWs) estimated at nearly 2.5 million. In terms of major occupation group, laborers and unskilled workers (mostly domestic helpers) comprised the bulk at 33 percent, followed by plant machine operators and assemblers at 12.8 percent. These occupation groups are vulnerable to abuse and exploitation, and unfair labor practices.

## Strategic Framework

Anchored on the PDP 2017-2022 Framework with the overall goal of laying the foundation for inclusive growth, a high trust and resilient society, and a globally competitive economy and under the pillar “*Pagbabago*,” this chapter deals on the strategies for reducing inequalities in human development outcomes. Hence, the sector shall work towards improving nutrition and health for all, ensuring lifelong opportunities for all, and increasing income-earning ability of the productive sector.

Figure 11.15 Strategic framework for accelerating human capital development



## Sector outcome 1: Nutrition and health for all improved

The overall health system is anchored on the health-related agenda of the SDGs to ensure the best health outcomes with no disparity, increased financial risk protection, and improved responsiveness. Thus, the social, economic, and environmental dimensions of the health system is expected to achieve the following outcomes: a) care for all life stages guaranteed; b) access to functional service delivery network ensured; and c) health financing sustained.

### Subsector outcome 1.1: Care for all life stages and triple burden of disease including malnutrition guaranteed

The provision of care and services for both the well and the sick in all life stages - pregnant, newborn, infant, child, adolescent, adults and elderly - shall be ensured to achieve better health outcomes. This shall cover the first 1,000 days of a child, reproductive and sexual health, adolescent health, maternal, newborn and child health, exclusive breastfeeding, food and micronutrient supplementation, immunization, health screening, promotion, and information.

All Filipinos shall be protected from the triple burden of disease as follows:

- *Communicable diseases* - HIV/AIDS, TB, Malaria, and diseases for elimination such as dengue, leptospirosis, ebola and zika

- *Non-communicable diseases including malnutrition* - Cancer, diabetes, heart disease and the risk factors: obesity, smoking, diet, sedentary lifestyle and malnutrition
- *Diseases associated with rapid urbanization and industrialization* - Injuries, substance abuse, mental illness, pandemics, travel medicine, health consequences to climate change and disaster

### Subsector outcome 1.2: Access through Functional Service Delivery Networks (SDNs) ensured

Improved responsiveness of the overall health system through the SDNs shall allow more population to reach health facilities, and avail of the needed quality services at all levels of care. Thus, the SDNs should be:

- Fully functional with complete equipment, medicines and health professionals
- Practice gatekeeping to ensure continuum of patient friendly services from the primary care up until the specialty centers
- Located close to the people
- Mobile clinic or subsidize transportation cost
- Compliant with clinical practice guidelines
- Available 24/7 and even during disasters
- Enhanced by telemedicine<sup>12</sup>

<sup>12</sup> refers to the use of telecommunications and information technology to provide clinical health care from a distance

### Subsector outcome 1.3: Health financing sustained

Financial risk protection shall be sustained by ensuring that every Filipino is a PhilHealth member. The services shall be financed predominantly by the National Health Insurance Program (NHIP), as follows:

- Simplify Philhealth rules
  - o No balance billing for the poor in basic accommodation
  - o Fixed co-payment in basic accommodation
- Philhealth as the main revenue source for all healthcare facilities
  - o Expand benefits to cover comprehensive range of services with higher support value
  - o Contracting networks of providers within SDNs
- Philhealth as the gateway to free or affordable care
  - o All Filipino as members
  - o Formal sector premium paid thru payroll and non-formal sector premium paid through tax subsidy

The key strategies to achieve the health and nutrition outcomes are as follows:

#### **Strategy 1: Advance health promotion, primary care, and improve quality to ensure access to health services and facilities**

The subsector shall strengthen and improve health promotion, and disease surveillance and response. Disease surveillance is

critical to effectively detect, assess, and respond to public health threats and emergencies. The creation of more functional networks of primary care benefit providers (PCBs) shall focus on expanding coverage and improving access to health services and facilities. The LGUs shall conduct annual health visits to all the poor families and special population groups, such as the beneficiaries of the 4Ps, the IPs, the PWDs, and the senior citizens to ensure inclusive health services. Additional resources shall be provided for health facility enhancement, which will include upgrading of hospitals and health centers, deployment of additional health human resources, medicines and other medical supplies, and equipment and family planning commodities. Health facilities shall be mother-baby friendly, sensitive to the needs of certain clients (such as the adolescents, and those afflicted with STIs and HIV/AIDS), as well as responsive to emerging diseases.

#### **Strategy 2: Cover all Filipinos against financial health risk**

This shall include the expansion of PhilHealth coverage (to include the non-formal sector) and benefits, such as the outpatient services, diagnostics services, provision of medicine, and access to blood and blood products. The LGUs shall establish health trust funds, and provide income retention to health providers while retaining budgetary support.

#### **Strategy 3: Harness the power of strategic human resources for health (HRH)**

Health profession shall be responsive to the domestic and global needs, and sensitive to



gender and culture. Scholarships shall continue to be provided and expanded to encourage more takers of the health profession. The shift to competency versus profession-based frontline complement shall be done, including the institutionalization of the return service scheme. The focus shall be on primary and preventive health care. Apart from compliance to the provisions of the Magna Carta for health care workers, the review of government HRH compensation scheme shall be a priority such that incentives shall be provided to those serving in hard to reach areas. Moreover, financial incentives shall likewise be given to health workers and volunteers, such as the Barangay Nutrition Scholars, and local population development officers.

**Strategy 4: Invest in eHealth, and data collection mechanisms for decision making to address data gaps**

It is important to improve the recording, reporting, quality, and use of the data needed to make health data monitoring effective and efficient. The LGUs shall support the nationwide surveys to supplement unavailable or incomplete administrative data, streamline information systems and administrative data collection system, and improve local civil registration and vital statistics. Likewise, the collection and reporting of health and nutrition data at the local level shall be strengthened to ensure responsiveness of interventions at the LGU level, and improve accountability. Apart from mandating the use of electronic medical records or EMR (both for administrative and clinical) in all health facilities, it shall be a requirement for licensing and contracting of health services

and drug outlets. Data access shall also be facilitated to researchers and other users. The monitoring and evaluation of the entire health system shall be strengthened to improve timeliness and quality of data with sufficient disaggregation for improved decision making, and prioritization of resources.

**Strategy 5: Enforce standards, accountability, and transparency**

Publish information that can trigger better performance (such as prices of common drugs and services, non-compliant and erring providers, and the National Objectives for Health (NOH) to guide the strategic intervention of various stakeholders), and the setting up of dedicated performance monitoring unit to employ appropriate mechanisms to track performance or progress of health reforms. Automation of business processes like the procurement mechanisms is necessary to ensure transparency.

**Strategy 6: Value all clients and patients, particularly the marginalized sectors**

This is to ensure equity in the access of health services and other interventions. To ensure responsiveness and transparency of processes, health entitlements shall be simple, explicit, and with reduced turnaround time. There is also a need to set up complaints and redress mechanism with citizen's participation.

**Strategy 7: Elicit multisector, multi-stakeholder support for nutrition and health**

Harness and align private sector in planning the SDN, the implementation of health programs and services, and in the supply side investments. Ensure convergence in delivering services with other government agencies (such as the DOH and its attached agencies-PhilHealth, NNC, POPCOM, DENR, DSWD, DepEd, DA, DOLE) and the LGUs in health and nutrition service delivery, including responsible parenthood and family planning (FP) services and commodities in accordance with the RPRH Law and EO 12 (s. 2016) in attaining zero unmet need for FP; reducing disaster risks; and along health promotion and advocacy. In addition, gaps along reproductive health, and drug management and rehabilitation shall be given focus. Civil Society Organizations (CSOs) shall also be enjoined to partake in governance in the areas of budgeting, service delivery and monitoring and evaluation.

***Sector outcome 2: Lifelong opportunities for all ensured******Subsector outcome 2.1: Quality, accessible, relevant and basic liberating basic education for all achieved***

The implementation of the following strategies shall be prioritized in the region during the plan period:

**Strategy 1: Raise the quality of basic education**

Basic education shall be strengthened to improve pupils or students' skills on communication, math, and critical thinking. Intervention programs, such as competitions and other related activities shall be conducted to build the learners' skills and potentials. Quality instructional supervision shall be intensified to contribute in raising the achievement rates of learners.

**Strategy 2: Pursue full implementation of the K to 12 program**

Emphasis shall be on the timely delivery of adequate education inputs (such as classrooms, textbooks, learning materials, laboratories, and computer packages), as well as the hiring and continuing professional development of teachers. Appropriate policies shall, therefore, be recommended to improve the learning environment, and provide adequate school resources and hasten their delivery to recipient schools and communities.

Financial management reforms from the national level to improve absorptive capacity shall be implemented and continuously monitored at the regional level to fast track the implementation of programs and projects and ensure the timely delivery of infrastructure and learning resources.

Support from the LGUs shall be mobilized through the Local School Board and ensure proper management of the local special education fund to augment funding for the provision of needed education inputs. The

LGUs shall be enjoined to make their Barangay or Municipal Literacy Coordinating Councils functional.

Moreover, the identification and selection of sites for schools shall be rationalized to ensure accessibility during the construction of school buildings, such as the inclusion of the criteria on allowable distance of proposed school sites to barangay or municipal centers.

To make the classroom conducive to learning, the classroom to pupil or student ratio shall be reduced to the Education for All (EFA) standard of 1:35 from the existing 1:45 to avoid congestion.

### **Strategy 3: Strengthen inclusion programs**

Improving mechanisms for mapping, profiling, and tracking of learners and school-aged children will ensure that learners with special needs, IPs, and out-of-school children and youth are provided with appropriate educational interventions.

Sufficient facilities and resources shall be provided to advance education for people with special needs, IPs and Muslim learners. To respond to the increasing demand for modified education for IPs, NGOs shall be tapped in the implementation of unorthodox method in providing the basic education such as the modified basic and advanced courses on Language and Mathematics for IPs. To address the lack of IP teachers, financial support shall be provided to qualified IP high school graduates to take Education courses, and linkage with IP graduates shall be established to create a pool of committed IPs to share their knowledge and teach in

their communities. A task force with tribal leaders shall be created in the targeting of real IPs needing basic education.

In reaching out to out-of-school children, youth, and adults who failed to complete basic education, programs on the Alternative Learning System (ALS) shall be intensified and expanded to improve the targeting of beneficiaries, broaden coverage, forge new partnerships, and develop modalities that fit the circumstances of target learners.

### **Strategy 4: Develop and improve interventions to keep children in school**

Providing school-based interventions, such as feeding and counseling programs, remedial classes, and a conducive learning environment can help keep children in school, and complete basic education.

School-based interventions to incentivize and reduce the burden of school participation shall be provided. These include promoting and strengthening child protection policies to eliminate violence in schools (i.e., bullying, teacher-student conflicts, etc.), and ensuring that school facilities and environment are conducive to school attendance and learning. Career guidance programs in schools shall be pursued, and ensure that student body organizations such as the Student Supreme Pupil Government (SPG) and Supreme Student Government (SSG) are in place and functional.

### **Strategy 5: Monitor implementation of national-level strategies**

At the national level, continuing curricular reforms, and enhancing teacher competencies shall be pursued, the effects of which is expected to redound to the regional levels.

Efforts at the national level shall focus on making the curriculum more gender-responsive and relevant to learners can help improve achievement rates. Reforms shall also be geared toward improving competences in science and technology, ICT, innovation, and creative imagination to allow students to keep pace with the knowledge and information age. To make basic education relevant to the community, topics related to culture and arts, drug abuse prevention, reproductive health, gender, environmental awareness, disaster preparedness, and climate change shall likewise be emphasized.

Continuing professional development of teachers shall also be prioritized at the national level, in addition to providing newly hired teachers with pre-service trainings to ensure quality instruction with the end in view of improving quality basic education.

The holding power of teachers shall be strengthened to sustain the increases in school participation rate by increasing hazard pays and other non-monetary benefits, and the establishment of a professional career development for teachers.

### ***Subsector outcome 2.2: Quality of higher and technical education and research for equity and global competitiveness improved***

#### **Higher education**

Consistent with the national government's commitment to transformational leadership that puts education as the central strategy for investing in the Filipino people, reducing poverty, and building national competitiveness, the higher education sector shall adopt the following strategies:

#### **Strategy 1: Higher education as a force for social and cultural transformation**

The higher education plays a crucial role in social and cultural transformation. The higher education institutions serve as strong partners in developing and instilling the values of nationhood and responsible citizenship among the students and faculty, leading toward acquiring intellectual tools and practical skills in meeting the changing labor market requirements.

*Expand access to higher education.* With the full implementation of the Unified Financial Assistance System for Tertiary Education (UniFAST) (RA 10687), the higher education sector shall intensify the student financial programs by increasing the number of slots and grants to more tertiary student-beneficiaries. This is to include *Iskolar ng Bayan*, and other scholarships (e.g., *Tulong-dunong*, Expanded Students' Grants in Aid Program-for Poverty Alleviation (ESGP-PA), which cover the marginalized sector like the PWDs, IPs and OSYs. In broadening the access of economically and

socially disadvantaged groups to higher education, rechanneling of some public resources directly to students to promote greater purchasing power, and freedom of choice of educational opportunities shall be intensified. The Expanded Tertiary Education Equivalency and Accreditation Program (ETEEAP), and Distance Education shall provide opportunities for school leavers to continue their studies through online or distance education, and earn degrees.

*Integrate 21st century competencies.* Improvement in the quality of existing curricular programs, and alignment with the global requirements and standards shall also be a priority of the higher education sector. Curricular programs shall produce graduates who demonstrate emerging competencies, such as critical and inventive thinking; civic literacy, global awareness and cross-cultural skills; gender sensitivity; risk-taking; communication, collaboration and information skills; entrepreneurial skills; passion for learning and discovery; and resiliency including the creative arts. As such, the need to harmonize key academic programs with international standards by the CHED, HEIs, SUCs, and the AACUP shall be pursued. It shall design policies and implement programs on the open or online distance learning among SUCs and HEIs to provide opportunities to individuals aspiring for higher education, and improved qualifications. This shall help position the Filipino graduates to lead and compete with the global requirements of the labor market. Thus, it shall provide sufficient funds to HEIs and SUCs in the procurement of IT equipment and software to cater to the increasing number of online enrollees.

## **Strategy 2: Higher education as accelerator of innovation and inclusive economic prosperity**

*Strengthen quality assurance mechanism.* The higher education sector shall continue the implementation of Outcomes and Typology-based Quality Assurance per CHED Memorandum Order No. 46, s. 2012. It shall also continue to implement the Philippine Qualifications Framework, and ASEAN Qualifications Framework. Strict enforcement of standards and evaluation of HEIs through rigorous and transparent system for autonomous and deregulated status, Centers of Excellence (COEs) and Centers of Development (CODs) programs, and to increase number of accredited programs. It shall also intensify rationalization and amalgamation of public higher education institutions to better improve the quality of public higher education institutions. The subscription to training of faculty and staff to quality assurance and management, specifically on ISO standards, and Philippine Quality Award shall also be pursued to further improve the quality of higher education institutions.

*Improve research and innovation, and extension.* Building more partnerships that will provide opportunities for the grantees, particularly immersion, research, and continuing education is a must. The number of scholarships for faculty under the K to 12 Transition Program to upgrade quality of higher education shall be increased to ensure smooth and successful implementation of K to 12 (per RA 10533). The need to increase the number of relevant development researches under the faculty development program, and to provide and

come up with clear-cut policy to maximize availment of faculty on R&D, extension, and innovative programs.

Improving the quality and impact of research, development, and extension through increased SUCs' budget for enhanced instruction, research and extension, and upgrading of school facilities shall be a priority. The provision of assistance to HEIs along instruction, research and extension, and needed facilities shall be ensured. This is to upgrade capacity and standard for directed R&D and extension programs to serve socioeconomic goals, and adhere with the global inter-university research collaboration.

The establishment of research center on Biological Resource Research Institute for Mindanao to serve as repository of information for biological resources, and training ground for researchers in Mindanao area shall be supported. The implementation of policies on R&D, as well as entrepreneurship shall also be pursued.

*Expand government-academe-industry collaboration.* More scholarships to affected faculty under the K to 12 Transition Program shall be provided. Likewise, the academe-industry collaboration (i.e., through Institutional Research and Sectoral Engagement, and Institutional Development and Innovation Grants) shall be strengthened. Enrollment and graduates shall be increased. Alignment of HEIs with national development goals shall be ensured. HEIs shall be encouraged to offer in demand and relevant courses responsive to the needs of the industries. As such, policies to incentivize offering of relevant

programs on higher education shall be implemented.

The creation of the University of Science and Technology of Southern Philippines (USTP), which is an amalgamation of the Mindanao University of Science and Technology (MUST) and the Misamis Oriental State College of Agriculture Technology (MOSCAT), is a strategic response to alleviating poverty. The Mindanao Techno Park shall be established at the USTP to serve as an innovative economic zone where industrial hubs are to be located. Industry participation is considered a crucial element in the education and training of students in a real-life workplace situation. It shall be dubbed as the "Silicon Valley of the South" that produces scientists and technologists who can be competitive with other ASEAN member countries.

*Promote excellence among HEIs.* There shall be continuing improvement of quality HEIs programs through the upgrading of quality standards to internationally comparable levels and strengthening of quality assurance systems. Likewise, there is a need to increase the number of higher education faculty with Master's and Doctoral degrees by increasing the number of scholarships and other incentives to faculty especially for those conducting relevant researches. Develop, formulate and enforce standards and guidelines for higher education programs and other initiatives. Monitoring of performance of higher education programs and institutions and provisions of appropriate incentives, as well as imposition of sanctions, and close and phase out sub-standard programs. Faculty and staff shall be encouraged to attend



certification conferences and workshops as part of continuing capacity-building. Funds for capital outlay to cater to the demands of increasing enrollment population of the HEIs and SUCs (to include facilities for the IPs and PWDs) shall be increased. A dialogue/forum on the complementation of the Trifocalized System of Education shall be conducted among the public and private institutions (RDC-X, CHED, HEIs, SUCs, TESDA, and DepEd) to ensure the existence of the private HEIs as strong support of the government in the provision of quality higher education system. Likewise, the business and industry sector shall be encouraged to become actively involved in improving access and quality of higher education.

### **Technical Vocational Education and Training (TVET)**

The subsector shall pursue the following strategies:

#### **Strategy 1: Improve quality of TVET provision for global competitiveness**

In pursuing global competitiveness, TVET shall follow internationally benchmarked standards, continuous adaptation of the most recent technologies and innovations, conformity with the demands of the industries, as well as actively strengthen public-private partnerships (PPPs). The need for Filipino workers to be globally competitive is imperative with the advent of trade and investment liberalization and facilitation. Thus, the Philippine Qualifications Framework shall be strengthened and the Mutual Recognition

Arrangement especially with the ASEAN integration shall be continually pursued. Other interventions include: (a) expand assessment and certification capacity; (b) address industry skills demand, changing labor market requirements; (c) strengthen technical research and labor market information to assist in planning and policy-making, and (d) improve employability of TVET graduates.

#### **Strategy 2: TVET for social equity**

This is based on the universal principle of social inclusion, and places people, particularly those who are socially excluded and displaced (such as the informal workers, IPs, farmers, fisherfolk, drug dependents, rebel returnees, women victims of abuse and human trafficking, returning OFWs, PWDs, among others) into the mainstream of society, as beneficiaries and active participants in the development process. It also aims to address the disparities and uneven development across regions, provinces and sectors.

To provide access to quality and relevant TVET opportunities, there should be a sufficient proportion of the underprivileged or marginalized sectors who have access to financial assistance and scholarships, such as the PESFA, BUB, and STEP. Conduct of community-based or barangay-based training shall also be enhanced to ensure wider reach to vulnerable sectors.

### **Strategy 3: Comprehensive reform and development agenda**

The current administration prioritizes the conflict-affected areas in terms of the provision of programs and services. Thus, poverty alleviation programs shall be directed to those who suffered from the adverse effects of the protracted armed conflict in Mindanao, especially in Northern Mindanao regions, particularly the Lanao del Norte province.

### **Strategy 4: Quality management system and good governance**

Implementation of TVET quality management system to ensure continuous improvement and increase effectiveness of TVET programs and services shall be pursued anchored on good governance, accountability, and transparency.

### **Sector outcome 3: Income-earning ability increased<sup>13</sup>**

#### **Subsector outcome 3.1: Employability improved**

The following strategies shall address the employability or readiness in terms of competencies and skills required in the labor market:

#### **Strategy 1: Strengthen K to 12 program implementation, and purposive skills development and retooling through continuing education, and training and skills assessment**

The implementation of the K to 12 program shall be strengthened with considerable attention to the children who are working and those not currently attending school. Entrants to the labor force and workers shall improve their employability through purposive skills training, enhancement, and retooling to respond to the needs of the labor market, and the ASEAN integration. Apart from the laborers and unskilled workers, focus shall be accorded to those youth not in education, employment, and training (NEET).

Current and prospective overseas workers shall have access to upgrading and enhancement of competencies for them to be employed in more stable and high-paying jobs.

#### **Strategy 2: Enhance employment facilitation services**

The provision of employment facilitation services is critical particularly for the new entrants and displaced workers. Career advocacy, coaching, and counselling shall be enhanced and expanded both for domestic and foreign employment. Online services shall be made available to widen access.

The LGUs shall continue to be capacitated by the DOLE, TESDA, DTI, DSWD, and other appropriate agencies along employment facilitation. A public Labor Market Information (LMI) System shall be made accessible to all job seekers and workers. The PhilJobNet shall be further

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<sup>13</sup> The discussion in this chapter focuses on the labor supply strategies that will reduce the inequality in the opportunities for human development. Chapters 8-10 discuss the strategies for raising labor demand and employment generation in the agriculture, industry and services sectors.



enhanced to meet the requirements of the more vulnerable groups of workers, and shall go beyond job-matching. The localization of job facilitation and making accessible the LMI shall be pursued.

**Strategy 3: Strengthen the academe-industry linkage, expand internship, apprenticeship, and dual training programs to facilitate school-to-work-transition, and respond to the fast changing world of work**

To ensure that the needed competencies and skills is responsive to the industry needs, current government programs on internship, apprenticeship, learnership, and dual training programs shall be strengthened and sustained. The government may revisit the provisions of these programs, including the incentives to the industries to ensure their support and involvement.

The diverse and dynamic changes in the labor market and work environment require regular updates in the competencies, such as civic literacy, global awareness, cross-cultural skills, critical, analytical and inventive thinking, and even risk-taking, shall be made accessible to make informed career decisions, and develop life skills necessary to withstand in a competitive workplace.

**Strategy 4: Implement programs that encourage women to participate in the labor market**

To increase the labor force participation of women, the following shall be implemented: a) Responsible Parenthood and Reproductive Health Act (discussed in

Chapter 13); b) policies that promote work-life balance; c) retraining for women returning to the workforce; d) enhance maternal and paternal benefits; e) localize and improve access of child care services; and f) improve access of women to entrepreneurial opportunities.

**Subsector outcome 3.2:  
Productivity improved**

Labor productivity, particularly in the agriculture and services sectors, shall be improved to facilitate better pay and other forms of non-wage benefits. The national policy on strengthening the implementation of the two-tiered wage system shall be cascaded down to the local level to improve productivity, and ensure commensurate or rationalize increase in wages.

To ensure safety and health in the workplace, sound, gender-responsive, and human rights-based occupational, safety and health (OSH) practices and standards shall be pursued through the enforcement of existing regulations and policies. The IEC, and integration of OSH in the agencies and LGUs work and financial plans, and DRR programs shall be monitored.

Opportunities for labor-management dialogues shall be encouraged to strengthen relations, and institutional mechanism for social negotiations and collective bargaining.

### *Subsector outcome 3.3: Labor mobility and income security enhanced*

Continuous improvement of the capacity of workers is important for them to be ready in case of job transition and emergencies. Thus, better social protection through income security measures shall be pursued. Community-based employment programs shall be enhanced to provide additional income opportunities for the unemployed and underemployed, especially those in the agriculture sector where there is seasonality, lean or off season periods.

Supporting the above-indicated strategies is the government's promotion of volunteerism as a modality in the delivery of social services, and provision of technical assistance by harnessing the services of volunteers from the sectors of the academe, corporate, non-government, international volunteer service organizations, as well as the government as partner and enabler in addressing the needs, especially of the vulnerable and marginalized groups, and in the remote and unserved areas in the region.

## Priority legislative and research agenda

The sector shall endeavor to come up with the following policy recommendations:

### *Nutrition and health*

- Review and amend RA 7883, otherwise known as "Barangay Health Workers' Benefits and Incentives Act of 1995." There is a need to recognize the volunteerism and the crucial role of the Barangay Health Workers in the continuous delivery of primary health care at the barangay level by providing security of tenure;
- Review on the non-implementation of Presidential Administrative Order (AO) No. 402 (signed by then Philippine President Fidel V. Ramos on 2 June 1998), which authorizes the

"Establishment of a Medical Check-Up Program for Government Personnel." AO 402 is cognizant of the Civil Service Commission Memorandum Circular No. 33, series of 1997, which provides that all government agencies and government-owned and/or controlled corporations shall provide, among others, a health program for their employees which includes free annual mental and medical-physical examinations. The ambiguity of how these issuances should be availed despite the issuance of an IRR (in the case of AO 402) have deprived government employees of a healthcare program for 18 years since AO 402 took effect in 1998.

- Review of population as one of the criteria in the allocation of Internal Revenue Allocation of the Local Government Units. The seemingly lukewarm support of most of the LGUs in the RPRH may be rooted to this. Thus, a policy review is needed to determine on possible criteria or incentive for the LGUs to promote good practices along population management.

### *Basic education*

- Review on the management of Special Education Fund (SEF) in terms of collection, allocation and utilization in order to maximize LGUs' support for the EFA initiative and to promote a more equitable allocation of resources for basic education.

### *Higher education*

- Conduct of policy review on scholarship provision which include not only tuition and matriculation fees, but also board and lodging allowances and other stipends of scholars and grantees to minimize dropouts or school leavers in the tertiary level. The Philippine Constitution has mandated the government to allocate the highest proportion of budget in the education sector. However, the country's student assistance programs to date are "meager and fragmented". An expanded scholarship program,

giving more focus and priority to the poor is more equitable.

- Update or revise the National Compensation Circular (NCC) No. 33 (January 2, 1985) on plantilla positions for faculty and staff of SUCs to cater to the increasing number of enrollees. The said NCC established the position classification and compensation scheme for faculty positions in SUCs in 1985. After more than two decades, and with the growing number of enrollees and demand of the SUCs, there is a need to update and revise the NCC.

# Results Matrix

*Table 11.8 Results matrix for accelerating human capital development*

OBJECTIVES/ RESULTS	0 TO 10- POINT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		TARGET						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
Societal goal: Reducing inequalities in human development outcomes															
Sector outcome 1: Nutrition and health for all improved															
Subsector outcome 1.1: Care for all life stages guaranteed	Agenda 7	Goal 3	Maternal mortality rate per 100,000 livebirths decreased	2015	70	69	67	65	63	62	60	60	Survey Results	DOH/PSA	Assumptions: -Official surveys conducted regularly with at least regional/provincial disaggregation -sustained LGU commitment and strengthened capacities of available health providers and practitioners; -funding subsidies to depressed or low-income LGUs;  Risks: -Depending on the priorities of the LGUs,
			Neonatal mortality rate per 1,000 livebirths decreased	2013*	13			12			10	10			
			Life expectancy at birth	2015*	72.77*						75	75			
			Death rate due to road traffic accidents reduced	2014*	0.1*			0.09			0.08	0.08			
			Infant mortality rate per 1,000 livebirths decreased	2015	6.06	5.5	5	4.5	4	3.5	3	3	Survey Results	DOH/PSA	
			Under five mortality rate per 1,000	2015	9.92	9	8	7	6	5.5	5	5			

OBJECTIVES/ RESULTS	0 TO 10- POINT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		TARGET						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
			livebirths decreased												-occurrence of natural disasters, armed conflicts, peace and order problems and emergence of new diseases.
			Percentage of newborns screened increased	2015	84	87	90	93	95	97	100	100			
			Percentage of fully immunized children increased	2015	84.38	87	89	91	93	95	95	95			
			Proportion of births attended by skilled attendants increased	2015	84.57	88	92	96	97	98	99	99			
			Proportion of facility-based deliveries increased	2015	82.57	83	85	87	88	89	90	90	FHSIS	DOH	
	Agenda 10	Goal 3	Contraceptive Prevalence Rate (all methods) increased	2015	52.99	55	59	63	67	71	75	75	FHSIS	DOH	
			Family Planning unmet need among couples reduced	2013	22 (NDHS)					5	<5	<5		DOH/ POPCOM/ PSA	

OBJECTIVES/ RESULTS	0 TO 10- POINT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		TARGET						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
			Teenage pregnancies reduced	2013	13 out of 100 (Young Adults Fertility and Sexuality Study)	-	-	10 out of 100	-	-	5 out of 100	6 out of 100	YAFS	DOH/ POPCOM	
	Agenda 7	Goal 3	HIV prevalence of at least one percent sustained	2015	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	FHSIS	DOH	
			Malaria prevalence per 100,000 population decreased	2015	7.74*	<1	<1	<1	<1	<1	<1	<1			
			Malaria morbidity rate per 100,000 population sustained	2015	0	0	0	0	0	0	0	0			
			Tuberculosis mortality rate per 100,000 population decreased	2015	9.5	8.5	7.5	6.5	6	5.5	5	5			
			Tuberculosis incidence per 100,000 population decreased	2015	322*	299	287	273	258	242	225	225			

OBJECTIVES/ RESULTS	0 TO 10- POINT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		TARGET						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
			Dengue Case fatality rate per 100,000 population decreased	2015	0.42	0.4	0.38	0.34	0.3	0.25	0.2	0.2			
			Prevalence of Drug Abuse* (computed using number of drug users/total population)	2011*	1.29%*			0.60%			0.50%	0.50%			
	Agenda 7	Goal 6	Proportion of HHs with access to sanitary toilets (%) increased*	2015	80.69	83	85	88	90	93	95	95	Monitoring reports	DOH, DILG	
			Proportion of population with access to safe water* increased	2015	94.05	95	96	97	98	99	100	100		DOH, DILG, LWUA	
	Agenda 7	Goals 2, 3	Prevalence of underweight among children	2015	3.8%*			3%			<1%	<1%	Survey Results	NNC/DOH/ DOST-FNRI	
			Prevalence of wasting among under-five children reduced	2015	4%		3%			2%	<2%	<2%			

OBJECTIVES/ RESULTS	0 TO 10- POINT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		TARGET						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS	
				YEAR	VALUE	2017	2018	2019	2020	2021	2022					
			Prevalence of stunting among under-five children reduced	2015	36.5%		34.5%			30%	31.5%	31.5%				
			Prevalence of overweight among under-five children sustained	2015	2%	2%	2%	2%	2%	2%	2%	2%				
			Prevalence of Iodine deficiency disorder among 6-12 months old children reduced	2013	23.6%		22.6%			21.6%	<20%	<20%	Survey results	NNC/ DOH		
			95% coverage of Vitamin A supplementat ion among 6 months old children sustained	2013	95%	95%	95%	95%	95%	95%	95%	95%				
			Percentage of children less than 5 years old (6-59 months old) provided with Vitamin A increased	2015	95.28%	96%	97%	98%	99%	100%	100%	100%				



OBJECTIVES/ RESULTS	0 TO 10- POINT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		TARGET						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
Subsector outcome 1.2: Access to functional service delivery network ensured	Agenda 7	Goal 3	Number of Service Delivery Network formed/ created	2016	5	1	1	1	1	1	1	1	FHSIS	DOH	
			Number of local government units provided with health facilities under the Health Facilities Enhancement Program	2016	96	27	35	45	50	60	70	70	DOH and DPWH reports	DOH/ DPWH	
Standard hospital to bed population ratio attained															
Agenda 7	Goal 3	Level 1	2015	1:2,768	1:2,600	1:2,500	1:2,400	1:2,300	1:2,200	1:2,000	1:2,000	FHSIS	DOH		
		Level 2	2015	1:1,620	1:1,500	1:1,400	1:1,300	1:1,200	1:1,100	1:1,000	1:1,000				
		Level 3	2015	1:8,515	1:8,450	1:8,350	1:8,250	1:8,150	1:8,100	1:8,000	1:8,000				
Standard health manpower to population ratio attained:															
Agenda 7	Goal 3	Physician	2015	1:37,846	1:36,000	1:35,000	1:30,000	1:27,000	1:23,000	1:20,000	1:20,000	FHSIS	DOH		
		Nurse	2015	1:16,732	1:16,000	1:15,000	1:14,000	1:13,000	1:12,000	1:11,000	1:11,000				
		Midwife	2015	1:4,555	1:4,450	1:4,450	1:4,450	1:4,450	1:4,450	1:4,450	1:4,450				
		Sanitary Inspector	2015	1:35,323	1:35,000	1:34,000	1:33,000	1:32,000	1:31,000	1:30,000	1:30,000				
		Dentist	2015	1:78,174	1:75,000	1:72,000	1:70,000	1:65,000	1:60,000	1:50,000	1:50,000				

OBJECTIVES/ RESULTS	0 TO 10- POINT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		TARGET						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
Subsector outcome 1.3: Care health financing sustained			National Health Insurance Program enrolment rate increased	2015	98	100	100	100	100	100	100	100		Philhealth/ DOH	
			Out-of- pocket health spending as percentage of total health expenditure	2014*	55.7*			55%			<50%	<50%		DOH/ PSA	
*new indicators as indicated in the PDP indicators of the DOH-CO with no regional baseline data (only national data)															
Sector outcome 2: Lifelong learning opportunities for all ensured															
Subsector outcome 2.1: Quality, accessible, relevant and liberating basic education for all achieved	Subsector: Basic education														
	Agenda 7	Goal 4	Net enrollment rate (in percent) increased (public & private)												
			Kindergarten	2016	89.15	90.93	92.74	94.59	96.48	98.41	100.00	100.00	Enhanced Basic Education Information System (EBEIS)	DepEd	Assumptions: There is sufficient budget allocation provided to implementing agencies, and participation of LGUs and other stakeholders is improved.
			Elementary	2016	89.68	91.47	93.30	95.17	97.07	99.01	100.00	100.00			
			Junior High	2016	59.53	60.72	61.93	63.17	64.43	65.72	67.03	67.03			
			Cohort survival rate (in percent) increased (public & private)												
			Elementary	2016	89.68	91.47	93.30	95.17	97.07	99.01	100.00	100.00			
			Junior High	2016	79.44	80.92	82.54	84.19	85.87	87.59	89.34	89.34			

OBJECTIVES/ RESULTS	0 TO 10- POINT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		TARGET						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS	
				YEAR	VALUE	2017	2018	2019	2020	2021	2022					
			Completion rate increased (public & private):											National Education Testing and Research Center (NETRC) Report		Risks:  Population increase due to migration, and inability of household to send children to school to poverty, disasters and conflict.
			Elementary	2016	90.60	93.33	94.24	97.10	98.04	99.02	100.00	100.00				
			Junior High	2016	73.54	75.01	76.51	78.04	79.60	81.19	82.81	82.81				
			Achievement rate increased (NAT-MPS) (public & private):													
			Elementary	2015	72.23	75.50	76.75	77.50	77.75	78.00	80.00	80.00				
			Junior High	2015	51.52	55.00	60.00	65.00	70.00	75.00	76.00	76.00				
Subsector outcome 2.2: Quality of higher education and training improved for global competitiveness and equity	Subsector: Higher education															
			Percentage of tertiary graduates in science, engineering, manufacturing and construction	2015 (2,497 as basis)	0.26	0.28	0.3	0.32	0.34	0.36	0.38	0.4	Global Innovation Index 2016	CHED		
			Increased number of higher education graduates able to lead, compete, and excel in the 21st century global knowledge economy	2015 (5% increase per year)	23,382	24551	24610	25841	27134	28491	29916	29916	Higher Education MIS	CHED		

OBJECTIVES/ RESULTS	0 TO 10- POINT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		TARGET						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
			Percentage of female employed with advanced degrees	2015 (basis is 4913)	21% (1052)	22% (1081)	23% (1130)	24% (1179)	25% (1228)	26% (1277)	27% (1327)	27%	Global Innovation	CHED	
			Increased number of researchers and scientists	2015	231 (3% increase)	237	244	251	258	266	274	274	IPO	CHED	
			Increased number of jobs generated out of MSMEs established through higher education research and innovation	2015 (2,497 as basis)	0.26 (3,146)	0.28 (3196)	0.3 (3246)	0.32 (3296)	0.34 (3346)	0.36 (3396)	0.38 (3446)	0.38 (3446)	survey	CHED	
			Increased number of HE graduates engaged in job collaboration	2015 (5% increase per year)	23,382	24551	24610	25841	27134	28491	29916	29916	Graduate tracer study	CHED	

OBJECTIVES/ RESULTS	0 TO 10- POINT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		TARGET						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS			
				YEAR	VALUE	2017	2018	2019	2020	2021	2022							
			Number of curricula and programs developed/ revised based on multi-disciplinal platforms that foster 21st century competency	2015	72	75	78	81	84	87	90	90	PSG	CHED				
			Increased number of HEIs engaged in global partnerships and collaboration	2015	8	9	10	11	12	13	14	14	MOAs/MOUs	CHED				
			Increased number of graduates engaged in original research of creative work	2015	271 (3% increase)	279	287	296	305	314	323	323	Higher Education (MIS)	CHED				
			Subsector: Technical Vocational Education and Training															
			Agenda 7	Goals 4, 8	Participation rate in TVET of youths and adults										TVET enrollment	TESDA, PSA	Risks: TESDA has no control over the youths and adults to engage in	
					Youths	To be determined												
					Adults													

OBJECTIVES/ RESULTS	0 TO 10- POINT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		TARGET						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
															TVET programs
			Certification rate of TVET graduates improved	2015	85%	85%	86%	87%	88%	89%	90%	90%	TVET Annual Report	TESDA	
			Percentage of the marginalized sector beneficiaries of student financial assistance programs											TESDA	Assumptions: Sufficient budget allocation to concerned agencies
			Persons-with-disabilities	To be determined								TVET scholarship beneficiaries			
			Indigenous Peoples												
			Drug-dependents												
			Inmates												
			Number of migrated TVET registered programs compliant with Training Regulations	2015	401	410	420	430	440	450	460	460	TVET Annual Statistics	TESDA	Improved participation of the TVIs, TTIs and industries
			Percentage of TVET programs with tie-up with industry	To be determined								TESDA			
												TESDA			

OBJECTIVES/ RESULTS	0 TO 10- POINT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		TARGET						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS	
				YEAR	VALUE	2017	2018	2019	2020	2021	2022					
			Percentage of institutions recognized by national and/or international accrediting organization	To be determined										TESDA		
			Trainers issued with NTTC increased	2015	380	390	400	410	420	430	440			440	TESDA	
			Employability rate of TVET graduates improved	2014	64%	65%	66%	67%	68%	69%	70%			70%	TESDA	
			Proportion of scholars of the TVET graduates increased	2015	12%	13%	14%	15%	16%	17%	18%			18%	TESDA	Sufficient budget allocation to concerned agencies
Sector outcome 3: Income-earning ability increased																
Subsector outcome 3.1: Employability improved	Agenda 7	Goals 4, 8	Labor force participation rate of women increased	2015	55.6							60	LFS	PSA		

OBJECTIVES/ RESULTS	0 TO 10- POINT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		TARGET						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
			Percentage of laborers and unskilled workers to total employed workers increased	2010	30							25	CPH	PSA	CPH conducted every 5 years
			Rate of children 5-17 years old not currently attending school decreased (Total)	2015	10.1							5.0	Gender Statistics on Labor and Employment	PSA	
			Male	2015	11.9							6.0			
			Female	2015	8.2							5.0			
			Youth underemployment rate decreased (15-30 years old)	2015	23.6								Gender Statistics on Labor and Employment	PSA	
			Economic activity rate of working children (5-17 years old) decreased	2015	13.6										



OBJECTIVES/ RESULTS	0 TO 10- POINT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		TARGET						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
<i>Subsector Outcome 3.2:</i> Productivity improved			Total Labor productivity increased (PHP at constant 2000 prices)		142,402									PSA	
			Agriculture	2015	85,880										
			Industry	2015	385,104										
			Services	2015	123,871										
<i>Subsector Outcome 3.3:</i> Labor mobility and income security enhanced			Please refer to Chapter 12 for social protection RMs and Chapter 11 for TVET RMs												



12

Building Resiliency  
of Individuals  
and Families



## Chapter 12

# Building Resiliency of Individuals and Families

The government, in collaboration with other major stakeholders shall continue to deliver basic services to reduce the vulnerability of individuals, families, and communities against risks. The various programs and projects build the ability of the families to rebound from adversity stronger and more resourceful. Resilience involves positive transformation and growth that enables one to deal effectively with challenges. It is more than just getting through or coping with a challenging situation.

## Assessment

While the efforts and resources of the government and other major stakeholders on social protection have been strengthened over the years, much is still to be done to improve the resiliency of individuals, families, and communities against all various economic, environmental and man-made risks. Poverty remains widespread particularly in the rural areas (Refer to Chapter 2). The vulnerable sectors such as the PWDs, elderly, low-skilled workers and those in the informal sector, children, women, and the IPs, among others continue to manifest low capacities

in coping with all types of risks. Social protection programs shall widen the reach of these vulnerable population to ensure inclusive growth.

The 2015 second round assessment of the National Household Targeting System for Poverty Reduction (NHTS-PR<sup>1</sup>) or the Listahanan identified 485,539 poor households (HHs) in the region. Bukidnon recorded the highest share of poor HHs at 34 percent while Camiguin posted the lowest at less than two percent.

*Table 12.1 Number of poor households, Region X, 2015*

PROVINCE	NUMBER OF POOR HHS	% SHARE	% TO TOTAL HHS ASSESSED	NUMBER OF NON-POOR HHS	TOTAL HHS ASSESSED
Bukidnon	166,160	34.2	62.7	98,878	265,038
Camiguin	7,537	1.6	45.0	9,196	16,733
Lanao del Norte	126,949	26.1	63.7	72,437	199,386
Misamis Occidental	60,156	12.4	49.4	61,543	121,699

<sup>1</sup> The NHTS-PR is an information management system that identifies who and where the poor are through family assessments.

PROVINCE	NUMBER OF POOR HHS	% SHARE	% TO TOTAL HHS ASSESSED	NUMBER OF NON-POOR HHS	TOTAL HHS ASSESSED
Misamis Oriental	124,737	25.7	46.7	142,605	267,342
<b>Grand Total</b>	<b>485,539</b>	<b>100.0</b>	<b>55.8</b>	<b>384,659</b>	<b>870,198</b>

Source: NHTS-PR, DSWD

## Universal and transformative social protection program for all Filipinos

### Life cycle and individual risks

The Pantawid Pamilya Program has become a core pillar of the government's social protection strategy since its launch in 2008. It is an investment in human capital that ensures children belonging to poor HHs, aged 0-18 years old, grow up healthy and stay in school. As of December 2015, a total of 252,906 active HH beneficiaries were covered under the regular Conditional Cash Transfer (CCT) with an increase of 18,603 HHs for the period 2012-2015. The compliance rate of household beneficiaries to the conditionalities along health, education, and family development sessions was high at 97.16 percent in 2015. The beneficiaries enjoyed grants for health and education and empowerment through family development sessions.

The program also covers the Modified Conditional Cash Transfer (MCCT) to reach out the Homeless Street Families (HSFs) who are definitely poor, more vulnerable and disadvantaged and are not covered by the regular CCT. MCCT also caters to Indigenous Peoples (IPs) by providing indigenous cultural communities in Geographically Isolated and Disadvantaged Areas (GIDAs) with equal opportunities to access the services and

benefits of the program. As of 2015, there were 19,750 (97%) MCCT HH beneficiaries in the region; 19,518 HHs (98.8%) are IPs and 232 are HSFs.

As a long term mechanism to address poverty alleviation, the qualified Pantawid beneficiaries are given opportunities to avail of higher education under the Expanded Students' Grant-in-Aid Program for Poverty Alleviation (ESGP-PA). The ESGP-PA is instituted by the government through the CHED in partnership with the DSWD, DOLE and State Universities and Colleges (SUCs) which enables graduates to attain employment in high value added occupations that will eventually improve their quality of life. As of December 2015, there were 1,623 Pantawid student-beneficiaries enrolled in most of the SUCs in the region.

The Social Welfare and Development Indicator (SWDI) assessment which determines the level of well-being of the Pantawid families was conducted by the DSWD between 2015 and 2016. The SWDI results showed that out of the total 252,654 assessed, household beneficiaries both active and inactive, there are

32,202 HHs (12.75%) classified in the self-sufficiency level (Level 3), 211,498 HHs (84%) in the subsistence level (Level 2) and only 8,954 HHs (3.5%) remain in the survival level (Level 1). The number of HHs in the self-sufficiency fell short of the 2015 target of 172,982 HHs by 81 percent.

The KALAHI CIDSS - National Community Driven Development Program (NCDDP) continue to empower communities as partners in development, improve people's engagement in local governance and implement barangay-level projects. A total of 414 total community pro-poor projects were completed covering 335 barangays and 19 municipalities in the region for the period 2012-2015.

Pursuant to Republic Act No. 9994 or the 2010 Expanded Senior Citizens Act, a PHP500.00-monthly social pension is being provided to augment the daily subsistence and medical needs of the indigent senior citizens. The beneficiaries (60 years old and above indigent senior citizens) increased from 13,169 in 2012 to 54,613 in 2015.

The supplementary feeding program benefitted 144,805 day care children to ensure that they are well-nourished while attending classes. After three months of feeding, 81 percent of the 13,200 underweight children have increased their weight. The program provides food in addition to the regular meals to children currently enrolled in the day care centers as part of the DSWD's contribution to the Early Childhood Care and Development program of the government.

The Recovery and Reintegration Program of Trafficked Persons assisted 121 individuals who were victims of forced child labor, illegal recruitment, child trafficking, cyber pornography and prostitution. In 2015, a total of 29,155 persons/families in crisis situation were provided with financial assistance including food and non-food, medical, education, burial and transportation under the Regular and Enhanced Assistance to Individuals in Crisis Situation Program. The concerned LGUs were likewise provided with augmentation assistance to relocate affected families in evacuation centers.

The center-based residential care facilities catered to the needs of abandoned and abused women and children, children with special needs, and children in conflict with the law with the provision of protective custody, temporary shelter, and rehabilitation services. A total of 313 clients availed of protective and rehabilitation services in the region.

Towards protecting the rights of the IPs, technical assistance is being provided in the formulation of the Ancestral Domain Sustainable Development and Protection Plan (ADSDPP), as well as its Ancestral Domain Investment Plan for Health (ADIPH). From 2012-2015, eight ADSDPPs were processed and formulated to guide the identification and implementation of programs and projects, as well as, in the protection of the environment and promotion of cultural integrity.

Over the same period, there were seven approved Certificate of Ancestral Domain Titles (CADTs). A cumulative total land area of 140,071 hectares have been issued with CADTs to the indigenous cultural communities. There are still 335,682 hectares on process CADTs and 67,573 hectares with pending CADT applications. Moreover, about 28,580 hectares are identified ancestral domains without CADT applications.

From 2012-2015, there are 3,485 IP scholars who availed of the Educational Assistance Program while seven were granted merit-based scholarships annually. Other services provided to the IPs included 15 socio-economic projects, legal assistance, conduct of medical mission in 22 IP areas, distribution of school supplies, support to six cultural festivals, and the conduct of paralegal training to IP clients.

### **Economic Risks**

The Sustainable Livelihood Program served a total of 132,712 HHs in the region both for the micro enterprise development (Track 1) and employment facilitation (Track 2) modalities to mostly Pantawid beneficiaries for 2012-2015.

The DOLE Integrated Livelihood Program (DILP) and the Tulong Alalay Para sa mga Disadvantaged Workers of the DOLE provided various livelihood assistance to 36,292 and 8,418 beneficiaries, respectively in 2012-2015. These programs seek to reduce poverty by promoting livelihood and entrepreneurship, and transforming vulnerable sectors to engage in community enterprises. The beneficiaries included Persons with Disabilities (PWDs), women

groups, and informal sectors, among others.

The DILP is implemented through its Accredited Co-Partners (ACPs) coming from the LGUs, cooperatives, federations and peoples organizations.

A total of 1,139 Overseas Filipino Workers (OFWs) for the same period were provided with livelihood assistance including financial requirements. The Overseas Workers Welfare Administration (OWWA) – registered OFWs and their dependents were provided with health care, disability and death benefits, scholarships and financial assistance for education and training, workers assistance and on-site services and social services, and family welfare services. As of 2015, a total of 25,538 OFWs were recorded in the region with 87 percent land-based workers and 13 percent sea-based workers.

The National Reintegration Center for OFWs pursued the reintegration services for returning migrant workers in 2015. A total of 150 OFW returnees and 24 undocumented OFWs were provided with livelihood starter kits with skills trainings. The Financial Awareness Seminar and Small Business Management Training services benefitted 284 OFW returnees and their families.

Employment facilitation was intensified through the conduct of job fairs and summits to increase job placement rate. In 2015, almost 80 percent of the job applicants were provided with employment opportunities. A total of 70,000 individuals benefitted with the intensified labor market information system which helps jobseekers



increase their access to employment opportunities. The Special Program for Employment of Student (SPES) covered 11,348 beneficiaries in 2015.

Pursuant to RA 10869, the JobStart Philippines Program helps unemployed youth in their job search by providing them with the necessary knowledge and skills trainings. A total of 200 youth beneficiaries availed of the JobStart services.

On worker's welfare, the "stop endo drive" was intensified where employers were encouraged to voluntarily regularize workers. The end of contract or "endo" is a process by which companies hire workers for less than six months to avoid being covered by the labor code requirement to regularize employment after that period. Other activities were also pursued in ensuring worker's protection and welfare including access to worker's benefits, social security and health insurance and occupational safety hazards.

Various laws are continuously enforced to provide special protection to children from all forms of abuse, neglect, cruelty, exploitation and discrimination, and other conditions of child labor and its worst forms. The HELP ME Convergence Program Against Child Labor is implemented to provide focused, converged, and synchronized strategies to effectively address the child labor problem.

Recognizing the right of PWDs to work on an equal basis with others and to participate fully into the mainstream of society, RA

10524 provides for the employment of PWDs in government agencies, offices or corporations, and to private companies while EO 417 seeks to implement the economic independence program of PWDs.

### **Environmental and Natural Risks**

From the period October 2005 to December 2014, a total of 177,460 families, comprising 621,134 individuals were affected by 12 types of natural disasters in the region. Flash flood affected the most number of families constituting about 29 percent of the total number of families.

Disaster relief assistance, as well as augmentation were provided to the affected families and local government units. Evacuation centers for persons displaced by disasters and calamities provided the necessary assistance such as food packs, adequate mental health and psychosocial support.

In 2016, a total of 29,155 beneficiaries were provided assistance under the aid to individuals in crisis situation program of the DSWD.

The concerned implementing agencies and LGUs continued to fairly mitigate the impact of El Niño particularly in ensuring augmentation of food supply, production support for affected farmers, emergency employment, as well as keeping food prices stable. The El Niño phenomenon affected a total of 75,097 farmers in 2016.

## *Access to affordable, adequate, safe and secure shelter towards well-planned communities expanded*

### **Housing production**

To improve access to shelter security, the government targeted to provide direct housing for 45.3 percent (55,455 units) of

the total housing need (122,476 units) in Northern Mindanao for the period 2011 to 2016. The accomplishment of the housing sector from 2011 to 2015 was 43.51 percent (24,127 units) of the end-of plan target. Thus, there is still a need to put in more effort in building homes particularly for low-income and vulnerable families in order to close the housing gap.

Of the total housing units provided and financed for the period, around 82.4 percent (19,875 units) are under socialized housing, while the remaining 17.6 percent (4,252 units) are under the economic or open housing.

A total of 7,674 homes are built for the families affected by Tropical Storm Sendong in 2012 to 2014. Around 15,000 more houses are targeted to be built in the next planning period to relocate families living in danger zones and affected by government projects.

Housing production in 2015 shoot up by 154.7 percent primarily due to the improvement in the accomplishments along the Community Mortgage Program (CMP) which benefited 3,552 families, compared to only 228 families in 2014. This is because the Social Housing Finance Corporation (SHFC) focused its assistance to TS Sendong affected communities in the

previous years. Despite the reduction of documentary requirements and signatories, the CMP process is still considered tedious. The CMP is a mortgage financing program which assists legally organized associations of underprivileged and homeless citizens to purchase and develop a tract of land under the concept of community ownership.

### **Other Housing Assistance**

To ensure sustainable and safe communities, the Housing and Land Use Regulatory Board assisted 172 LGUs in the formulation of their Disaster Risk Reduction and Climate Change Adaptation-Enhanced (DRR-CCA) Comprehensive Land Use Plans (CLUPs) from 2011 to 2015. Of these, 17 CLUPs were approved.

The Housing and Urban Development Coordinating Council assisted 33 LGUs in 2015 in the formulation of their respective Local Shelter Plans using the new guideline which mainstreamed DRR-CCA. These plans shall be the roadmap in addressing the housing needs in the next ten years.

A total of 129 subdivision projects were registered and 194 Licenses to Sell for subdivision projects were issued from 2011 to 2015. Noteworthy of the accomplishments along regulation of land development were the issuance of 26 development permits to condominium projects and the enforcement of the 20 percent socialized housing counterpart subdivision projects resulting to 53 approved projects in the same period.

Around 224 Homeowners Associations also registered in the same period.

To provide security of tenure to the urban poor, a total of 49,452 families were provided social preparation activities along asset reform including CMP and resettlement direct negotiation from 2013 to 2015. Urban Poor Organizations in the cities of Cagayan de Oro, Iligan, and Malaybalay were also trained along gender and urban poor empowerment, DRR-CCA, and urban container gardening.

### Collection

Amount collected from payment of housing loan or projects from 2011 to 2015 reached PhP5.804 billion. The HDMF collected the largest which is 90.09 percent of the total collection followed by the National Home Mortgage Finance Corporation at 7.39 percent. The SHFC and NHA each had a share of 1.26 percent.

## Challenges

### *Social Protection*

The high proportion of poor HHs to the total HHs in the region and their increased vulnerability to risks highlight the need to fast track the implementation of social protection programs and projects. The following are the major issues confronting the vulnerable sector:

- Minimal number of self-sufficient families under Pantawid Pamilya Program after five years of implementation
- Diminished value of CCT grants and insufficient amount of cash grants
- Non-sustainability of the Modified CCT in the absence of enabling law
- Inadequate social pension of PHP500.00 per month for sustenance and medical needs of the indigent senior citizens
- Lack of rehabilitation centers and facilities for PWDs and children with special needs
- Limited social insurance coverage for IPs and PWDs
- Limited benefits for returning OFWs
- Increasing vulnerability of OFWs and migrant workers
- Unreported/undocumented cases of child labor and violence against women and children
- Inadequate disaster risk prevention, preparedness, management and coping mechanisms of poor and vulnerable sectors and communities
- Displaced families victimized by natural and man-made disasters
- Non-adherence to the Free Prior and Informed Consent (FPIC) process of private and public projects implemented in IP areas
- Lack of development framework for the IPs
- Inadequate funds for IP programs and projects identified in the ADSDPPs
- Lack of regular data generation for vulnerable groups
- Lack of access to database on poor HHs and other vulnerable groups

- Lack of evacuation centers per municipality

Low income HHs are battling to cope financially the impacts of increase in prices, as well as socio-economic shocks and risks. They have limited capacity in accessing effective financial tools to help them manage and earn a decent living. Moreover the following concerns increases the vulnerability of poor population:

- Non-compliance of some employers on security of tenure, occupational safety and health, and social security benefits of workers
- Lack of personnel to monitor the compliance of establishments on labor laws
- Lack of jobs with competitive compensation to match the skills of returning OFWs
- Limited capacity of vulnerable groups to access financial institutions for livelihood opportunities

- Lack of accredited co-partners (ACPs) in the implementation of programs and projects particularly at the local levels
- Increase in the displacement of workers both local and abroad
- Limited employment opportunities of PWDs, IPs and other vulnerable groups
- Poor sustainability of livelihood programs
- Lack of personnel to process documents for the availment of livelihood projects
- Tedious documentary requirements in the accreditation of ACPs and in availing government livelihood assistance and services.

## Safe and Secure Shelter

By the year 2022, the region shall require about 215,375 new dwellings to house the growing population and address the backlog.

**Table 12.2 Estimated housing need, Region X, 2017-2022**

	BACKLOG*	INCREMENTAL HOUSING NEEDS (UNIT IN HOUSEHOLD)						TOTAL HOUSING NEED 2017-2022
		2017	2018	2019	2020	2021	2022	
Total	35,259	28,825	29,071	29,798	30,297	30,805	31,321	215,375
A. Accumulated Needs	35,259	591	601	611	621	631	642	38,955
1. Total HHs in unacceptable Housing Units	21,832	366	372	378	384	391	397	24,120
Rent-free without consent of owner	11,903	199	203	206	210	213	217	13,150
Homeless	27	0	0	0	0	0	0	30
Dilapidated/ Condemned	3,798	64	65	66	67	68	69	4,196
Makeshift/ salvaged Materials	6,104	102	104	106	107	109	111	6,744

	BACKLOG*	INCREMENTAL HOUSING NEEDS (UNIT IN HOUSEHOLD)						TOTAL HOUSING NEED 2017-2022
		2017	2018	2019	2020	2021	2022	
2. Doubled-Up HHs in Acceptable Housing Units	13,428	225	229	233	236	240	244	14,835
B. Future/ Recurrent Needs		28,234	28,471	29,187	29,676	30,173	30,679	176,420
1. Allowance for Inventory losses		15,225	15,481	15,740	16,003	16,272	16,544	95,265
2. Newly formed HHs (likely afford to own/rent HU)		13,008	12,990	13,448	13,673	13,902	14,135	81,155

\* As of 31 December 2016; Initial Needs 1 January 2017

Note: Details may not add up to the total due to rounding of numbers.

Source: HUDCC

Among the glaring challenges that the housing sector faces is the lack of affordable land for housing and resettlement sites. This is particularly evident in highly urbanized areas where private developers compete with the government in acquiring land for housing.

Adding to that is the two-year moratorium on the conversion of agricultural lands which furthers limits the concerned agencies to acquire land for housing. On the ground, there are marginal areas currently classified as agricultural areas which could be utilized as residential zones once land conversion is permitted.

With this, the government is forced to establish decent affordable housing to informal sector families in the outskirts of the city which are a significant distance from their sources of livelihood, thereby increasing living costs.

While the NHA prioritizes in-city resettlement, the limited funding allotted to the regions do not warrant said projects due to affordability constraints of the intended beneficiaries.

There is also a need to improve access to basic social services, water system, power and livelihood in resettlement sites particularly to those affected by Tropical Storm Sendong.

The above challenges coupled with the limited access of affordable housing highlight the need to intensify the implementation of the Balanced Housing Requirement (section 18 of the Urban Development and Housing Act of 1992) for socialized housing and condominium projects.

The tedious documentary requirements for the establishment of resettlement and other housing projects delay the implementation. With the highly centralized system of housing agencies in the processing of documents from the issuance of land titles to the bidding of projects, the implementation of a sizeable number of projects get delayed.

Another challenge is the non-availing of the loan package of the HDMF despite the reduction of interest rate. Further steps need to be done to encourage more Filipinos to avail of home loan packages.

With the impending effects of climate change, there is a need to pour in investments in the housing sector to safeguard vulnerable communities and improve resilience. With the potential effects of sea-level rise and extreme weather events, the government needs to prepare for the massive migration of people to safer areas.

## Strategic Framework

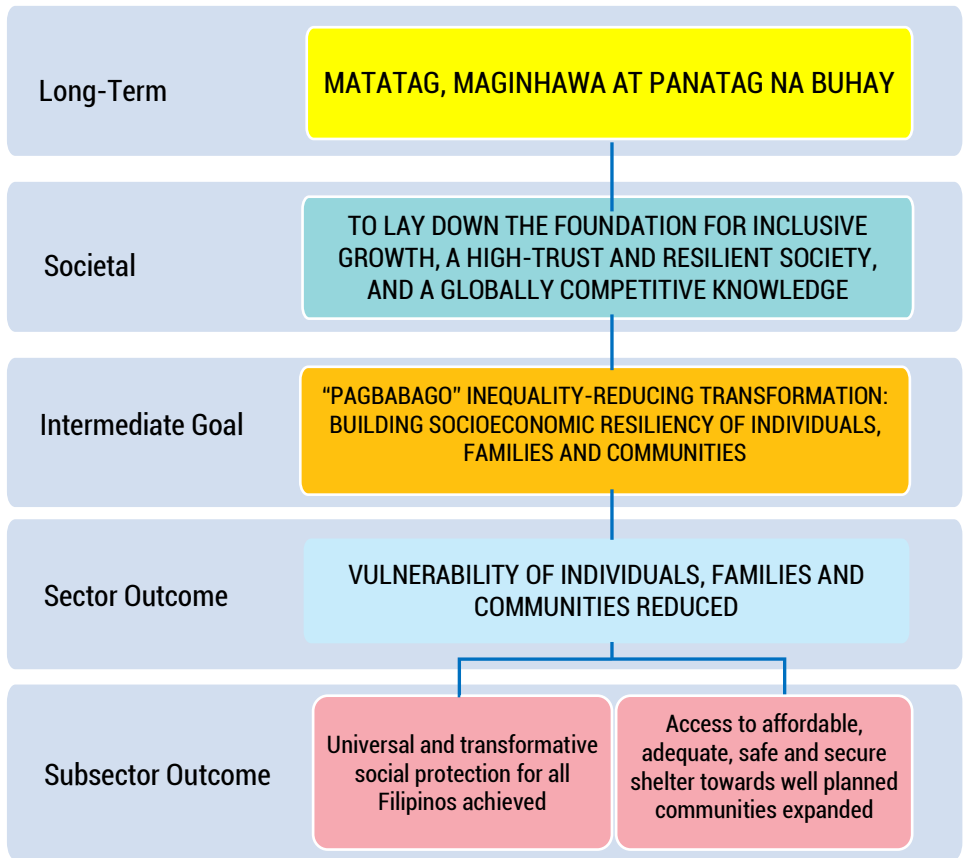
The focus shall be on reducing the vulnerability of individuals, families and communities by achieving a universal and transformative social protection coverage

for all Filipinos and expanding access to affordable, adequate, safe and secure shelter in order to create resilient, vibrant, inclusive and sustainable communities.

Transformative social protection shall be to provide income and employment to the poor, protect the individuals and families against livelihood risks, and enhance the social status and rights of the vulnerable sector with the aim of reducing poverty and vulnerability.

The housing sector shall adopt the vision of “Happy homes in well-planned cities” that focuses on the security of tenure and occupancy of human settlements.

Figure 12.1 Strategic framework for building resiliency of individuals and families



### *Sector outcome: Vulnerability of individuals, families and communities reduced*

The vulnerabilities of individuals, families and communities are increased with the presence of various risks that are brought about by life-cycle needs, changes in the local and national economy, exclusion from economic benefits and the worsening impacts of natural and environment hazards. In response, the implementation of social protection policies and programs manages the HH's vulnerability from slipping toward poverty.

The major interventions shall be focused on the provision of protective measures, promotion of livelihood and employment, protection against hazards and sudden loss of income, and improvement of people's capacity to manage or handle risks.

The provision of safe, affordable, adequate and secure shelter is an important factor for the overall well-being and socio-economic resiliency of the Filipino family. Thus, the housing sector shall direct its investments in the creation of resilient, vibrant, inclusive and sustainable communities by expanding access to shelter with adequate basic services and economic opportunities.

### *Subsector outcome 1: Universal and transformative social protection program for all Filipinos achieved*

#### **Strategy 1: Strengthen the convergence strategy in the delivery of social protection programs.**

The continued convergence of the Pantawid Pamilya Program including both the regular and modified conditional cash transfer, Sustainable Livelihood Program, KALAHI-CIDSS/NCDDP and other social protection programs shall increase the number of self-sufficient poor families, as well as empower individuals and communities.

The targeted poor families shall continue to be covered by the health insurance program.

The provision of education to poor but deserving college students belonging to indigent households under the NHTS-PR shall allow families to achieve a better future for their children. Scholarship grantees shall enroll in SUCs with accredited courses aligned with the priorities of the government.

Family development sessions attended by Pantawid grantees shall be intensified to influence the HH's attitudes and practices toward responsible parenting, reproductive health and nutrition.

Sustaining the CCT program beyond 2017 and the proposed expansion of beneficiaries can further assist more poor families to achieve improved health and education



condition. The increase in the amount of the CCT grants shall also be recommended to consider the increase of prices due to inflation.

The community-driven development approach shall be strengthened to improve access to basic services and to increase community participation in a more inclusive local planning, budgeting and implementation. Community volunteers shall be capacitated to ensure the successful management of the sub-project-implementation in their respective barangays from the implementation phase towards the sustainability of the projects. Complementary investments along program mechanisms and systems, as well as social capital shall be considered to help communities to better prioritize, implement projects more cheaply and improve access to service delivery. Collaboration among implementing agencies and complementation of resources shall be intensified to improve the delivery of services to the communities and HHs.

## **Strategy 2: Protect and promote the rights of the vulnerable sectors**

The implementation and monitoring of special protective measures shall be strengthened to assist the vulnerable sectors which include, among others, children, women, persons with disabilities, indigenous peoples, migrant workers, and senior citizens.

The proposal to increase the amount of the social pension for the indigent senior citizens shall be reviewed with the inclusion of PWDs and other vulnerable sectors. The establishment of appropriate centers and

community-based facilities shall be ensured to cater to the needs of the aged, children with special needs, rebel returnees and children in conflict with the law, among others. These centers aim to rehabilitate and mainstream victims of abuse through counselling and provision of other protective services.

The partnership and collaboration with the LGUs and various stakeholders shall be intensified. Both regional and local mechanisms/structures shall be made functional to fasttrack delivery of services, as well as the formulation of policies on migration, youth development, IP representation, PWD employment and women empowerment. The rights of the overseas workers shall also be protected. Strict enforcement of various laws and policies protecting the rights of the poor and vulnerable sector shall also be monitored.

The rights of the IPs shall be protected through the strict adherence to the FPIC process in IP areas. The formulation of the ADSDPPs and the Regional Indigenous Peoples Development Framework, CADT processing and ancestral domain mapping shall likewise be pursued. Livelihood and income-generating programs and projects identified by the IP communities in their respective ADSDPPs shall be funded and prioritize in coordination with the concerned LGUs and government agencies.

The implementation of the NCIP-DENR-LRA-DAR Joint Administrative Order No. 1 (s. 2012) shall be strengthened to identify and harmonize conflicting land-related laws (tenurial instruments). Current efforts in the Kalabugao Plain and Mt. Balatukan



Range Natural Park as priority areas under the Conflict Sensitivity Resource and Asset Management Program shall be continued.

### **Strategy 3: Expand income opportunities**

The creation of employment and entrepreneurial opportunities shall be pursued to improve the socio-economic status of poor families. The Sustainable Livelihood Program and the DOLE Integrated Livelihood and Employment Program and other income generating projects shall continue to provide employment facilitation, micro enterprise development and skills training to the poor beneficiaries including informal workers, drug surrenderees, PWDs and women. Social preparation activities including organization of associations shall help in sustaining the investments provided to the beneficiaries. The documentary requirements shall also be minimized to facilitate easy availment of assistance especially from financial institutions.

The implementation of the reintegration programs for the returning OFWs, as well as the Assist W.E.L.L. (Welfare, Employment, Legal and Livelihood) program for migrant workers shall be intensified. The financial literacy program with diversification of investment for the overseas workers including returning OFWs shall also be enhanced.

On worker's welfare, mechanisms for occupational safety and health, social security benefits, labor law compliance, dispute prevention and settlement, and case disposition shall be strengthened. The labor market information and qualification of job applicants shall be improved with the

conduct of trainings on labor relation, human relation and productivity, and labor education.

### **Strategy 4: Increase the resiliency of families and communities affected by natural and man-made shocks or calamities**

The different types of risks require localities to be prepared to mitigate the potential impacts to population and properties. The delivery of protective services shall be ensured to meet the basic needs. Preventive interventions which include disaster preparedness shall reduce the impact of untoward events.

The assistance to communities and victims of disaster and natural calamities particularly on response, early recovery and rehabilitation shall be improved. The provision of relief, emergency shelter, core/modified shelter, conditional shelters/bunkhouses, and cash/food for work shall be fast tracked to help affected population or victims of disaster.

The rehabilitation and development program under the PAYapa at MASaganang PamayaNAn (PAMANA) program including infrastructure, livelihood and protective services shall be pursued. PAMANA is the national government's convergence program that extends development interventions to isolated, hard-to-reach and conflict-affected communities, ensuring that they are not left behind.

*Subsector Outcome 2: Access to affordable, adequate, safe and secure shelter towards well planned communities expanded*

**Strategy 1: Provide housing services particularly to low income households undertaken in an integrated manner, focusing on the development of neighborhoods and communities rather than just housing**

Urban renewal and infill development shall be prioritized to ensure that there is a minimum and reasonable distance between places of work and places of living. This will also guarantee that basic services and livelihood opportunities are already in place for the informal settler families (ISFs) who shall be resettled. Investments for compact development such as high-density mass housing and the intensive implementation of the Balanced Housing Requirement for socialized condominium projects shall be encouraged. The established socialized housing or condominium projects shall be within or adjacent to the host municipality/city where the main subdivision is located. These strategies also preserve agricultural lands and protected areas, as well as, the efficient use of urban land. To ensure the safety and sustainability of communities in off-city resettlements, government agencies shall provide access to basic services and economic opportunities, as well as disaster-mitigating infrastructure.

**Strategy 2: Intensify implementation of alternative and innovative solutions in addressing the housing need for the lower income classes and vulnerable sector**

The government shall expand access to housing financing schemes for the urban poor, low income families, and other members of the marginalized sectors through the intensive implementation of the RA 7279 Urban Development and Housing Act, vertical or tenement housing, public rental housing, and mixed-use/mixed-income housing especially in highly urbanized areas. This will require the provision of more incentives for developers to invest in socialized housing to address the shortage of affordable housing for the low to middle-income families. To ensure inclusivity of housing programs, the region shall establish housing or villages that are accessible and affordable to PWDs. Thus, a “Tahanang Walang Hagdan” or a similar village catering to the PWDs in the region shall be established.

To urge LGUs to carry out their mandate in providing safe and secure shelter for their constituents, the implementation of RA 7279 provisions as one of the bases or criteria in the Seal of Good Governance Awards shall be considered.

**Strategy 3: Adopt viable land acquisition approaches and fast-track the conduct of inventory of lands for socialized housing development**

The government shall be at the forefront in the identification of idle lands suitable for socialized housing as directed under the Memorandum Circular No. 78 (s. 2015).

At the local level, the updating of the DRR/CCA-Enhanced Comprehensive Land Use Plans (CLUPs) and the formulation of Local Shelter Plans (LSPs) shall be prioritized to ensure land allocation and banking for socialized housing. Land use strategies shall emphasize special area studies such as green growth, urban design and development, heritage conservation, and ancestral domain. The inventory and mapping of informal settlers and HHs exposed to hazards shall be conducted regularly. The monitoring mechanism on land use activities to ensure holistic and timely updating of land use changes shall be institutionalized.

Continuing training on zoning administration and Real Estate Management Programs among development planners shall be done to ensure that plans are responsive to the impacts of climate change, geologic/volcanic hazards, extreme weather events, and man-made hazards.

The region shall also promote the issuance of Presidential Proclamations declaring military reservations as socialized housing sites.

**Strategy 4: Mainstream program convergence budgeting in housing and resettlement and innovative housing finance modalities**

The government budget for housing shall be increased. Relocation cost of the affected families shall be integrated to the project cost of major infrastructure projects and entrust its implementation to the housing agencies.

**Strategy 5: Strengthen partnerships with stakeholders**

The strong partnerships of KSAs with urban poor associations, NGAs, LGUs, CSOs and NGOs shall be continued for the smooth implementation of housing projects and ensure the linkage between the national and regional land use plan and the local shelter and land use plans.

The advocacy on the registration of Homeowners' Association shall also be pursued. Collaboration with the academe and private sector in the development of affordable and climate-proof housing using indigenous materials shall be strengthened. Their technical support shall be employed particularly in the implementation of the Green Building Code. It is a referral code under the National Building Code of the Philippines which aims to improve building efficiency and sustainability relative to performance, design, construction, and maintenance.

**Strategy 6: Adopt a community-driven (people's plan) approach in shelter provision undertaking**

The involvement of the community, from planning to actual implementation, ensures the sustainability of housing projects as it bestows ownership by the beneficiaries themselves.

The Community Mortgage Program shall also be strengthened through the decentralization of its approval to ensure efficient process on mortgage financing application.

At the local level, the functionality of the local housing boards and the improvement of local shelter planning shall be prioritized.

**Strategy 7: Strengthen housing as a platform to reduce poverty and improve social outcomes**

In the regulation of land use and urban development, the HLURB and HUDCC shall continue to provide assistance to the LGUs in the formulation of their DRR-CCA-Enhanced CLUPs and LSPs. The provision of housing shall be considered as a platform for inclusive growth. The establishment of sustainable communities requires the contribution of other agencies such as the DPWH, DTI, TESDA, DSWD and DOLE, among others.

The above-indicated strategies shall reinforce the practice of volunteerism in human and social capital formation and protection, including the empowerment of the disadvantaged groups by harnessing the services of volunteers in making accessible basic social services and in responding to disasters and undertaking humanitarian efforts. Volunteer engagement shall be a window for individual's personal, professional and social development toward building a corps of skilled, committed and service-oriented citizenry.

## Legislative Agenda

### Social Protection

- An enabling law for the national government to allocate annual funds and the needed technical

support to assist displaced workers for livelihood and re-employment, among others.

- Establish OFWs Affairs Office and/or Committee on OFWs and Migration and Development in both municipal and provincial legislative bodies and provide appropriate funding for policy formulation and program implementation
- Urge the LGUs, NGAs and SUCs in Region X to earmark at least one percent of their total budget for youth development related programs/projects/activities
- *Policy review on the FPIC process.* It has been observed that the concerned government agencies and other funding organizations often failed to coordinate with the concerned IPs/ICCs whom their ancestral domain and sacred grounds are affected by a certain project.
- *Social Welfare and Development Agencies (SWDAs) Bill.* The DSWD's regulatory functions over the public and private individuals, agencies and organizations engaged in social welfare and development activities shall be strengthened. Mechanism for sanctions shall be provided for non-compliance with standards and procedures set by the DSWD.
- *Public Solicitation Bill.* It shall strengthen the system of granting permits to charitable and welfare

purposes. It seeks to identify the authority to issue permits, define the modes of solicitation and prescribe penalties without permit in order to protect the general public against unscrupulous solicitation.

- *Amendments to the Solo Parents' Welfare Act of 2000.* It seeks to expand the definition of solo parents (in terms of category and time element). It also highlights the assessment of solo parents and the procedures on the availment of the comprehensive program of social services such as the granting of discounts for their children's needs.
- *Elderly Abuse Bill.* It defines acts committed against senior citizens, impose higher penalties and the development of strategies to prevent or reduce the abuses committed against them.
- *Establishment of the National Council for the Welfare of Senior Citizens.* A Council for the Welfare of Senior Citizens shall be established to formulate and implement policies, plans and programs to protect and promote the rights of the elderly.
- *Positive and Non-Violent Discipline of Children's Bill.* A comprehensive program to promote positive and non-violent discipline shall be formulated and implemented by the concerned government agencies. The role of education shall be emphasized.
- *Magna Carta of Day Care Workers.* It seeks to provide benefits and privileges to accredited Day Care Workers (Child Development Workers). It further provides training, education, career enhancement, and security of tenure for DCWs.

## Housing

- *Create the Department of Housing and Urban Development.* The department aims to consolidate and rationalize the functions and roles of the Housing and Urban Development Coordinating Council (HUDCC) and the Housing and Land Use Regulatory Board (HLURB). It shall act as the primary national government entity responsible for the management of housing and urban development. The agency shall be the sole and main planning and policy-making, regulatory, program coordination and performance monitoring entity for all housing and urban development concerns, primarily focusing on the access to and affordability of basic human needs.
- *Establish a Housing Subsidy Fund and increase government budget for housing.* This will ensure the timely relocation of ISFs living in danger zones or affected by government projects and provide adequate housing for the IPs and other members of the marginalized sector.

- *Pass the Comprehensive and Integrated Shelter Finance Act II.* This seeks to increase the budget appropriation for socialized housing programs of the government and the provision of housing and security of tenure to poor informal settlers.
- *Reduce documentary requirements for housing.* There is a need to streamline the process on the establishment of housing projects. The issuance of permits and licenses, land titles, and capital gains tax exemption, as well as the bidding of projects, among others, shall be localized to avoid further delays in project implementation and to uphold the bottom-up approach of the government in all its undertakings.
- *Lift the two-year moratorium on the conversion of agricultural lands.* The moratorium shall hasten the construction of housing projects based on rational needs. A policy review shall be conducted to consider the automatic conversion to residential zone areas within A&D which have been fully utilized as residential for at least 15 years and the conversion of timberland utilized as residential for at least 15 years.
- *Pass the National Land Use Act and the Idle Lands Tax.* These shall ensure rational and sustainable settlements development consistent with the principles of

environmental integrity and equitable access to land and tenure security.

## Results matrix

*Table 12.3 Results matrix for building resiliency of individuals and families*

OBJECTIVES/ RESULTS	0 TO10 POINT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		TARGET						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
Societal Goal: To lay down the foundation for inclusive growth, a high-trust and resilient society, and a globally competitive knowledge economy															
Intermediate Goal: (Reducing Inequality) Building socioeconomic resiliency of individuals, families and communities															
Sector Outcome: Vulnerability of individuals, families and communities reduced															
Sub-sector Outcome 1: Universal and transformative social protection for all Filipinos achieved															
	No. 9 Expand and improve the CCT, indexing grants to inflation while tightening its administrat- ion.	Goal 1 and 2	Number of poor families with Conditional Cash Transfer sustained	2015	252,654	272,661 (Annually)						272,661	CCT Report	DSWD-X	
			Percentage of level of well- being of Pantawid HHs increased	2015									SWDI, CCT Report	DSWD-X	
			Survival (Level 1)		3.4% (8,954)	6.97% (19,009)							20% of HHs are self- sufficient		
			Subsistence (Level 2)		83.7% (211,498)	76.85% (209,539)									
			Self- Sufficiency (Level 3)		12.87% (32,202)	16.18% (44,113)									

OBJECTIVES/ RESULTS	0 TO10 POINT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		TARGET						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
			Community participation rate in KC-NCDDP areas sustained	2016	86%							80%			KC-NCDDP implementation is only until 2019.
			Proportion of underweight day care children with improved nutritional status	2015	81% <sup>2</sup>							85%	Supplementary Feeding Program Report	DSWD-X	
			100% of qualified Indigent Senior Citizens 60 yrs. old and above with social pension	2015	100%	100%	100%	100%	100%	100%	100%	100%	SP report	DSWD-X	
					50,593	142,099	152,312	162,659	173,975	186,632	201,490	201,490			

<sup>2</sup> out of the 13,200 underweight children, 10,773 children have increased in weight



OBJECTIVES/ RESULTS	0 TO10 POINT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		TARGET						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
			Proportion of beneficiaries/individuals in crisis situation provided with assistance		75%							75%		DSWD-X	
			AICS	2015	1,237	2,000 (Annually)						12,000			
			Enhanced AICS	2015	27,918	19,200 (Annually)						19,200			
			CADTs and CALTs processed and issued annually	2015	5	5	5	5	5	5	5	30		NCIP-X	
			ADSDPPs formulated including program/project identification annually	2015	5	2	2	2	2	2	2	12		NCIP-X	

OBJECTIVES/ RESULTS	0 TO10 POINT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		TARGET						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
			Proportion Pantawid families with livelihood and employment assistance Micro Enterprise  Employment Facilitation	2015	35,956  89% (32,056)  11% (3,900)	26,327  80% (21,062)  20% (5,265)	21,526 (Annually)					129,156  80%  20%	Sustainable Livelihood Program Report	DSWD-X	
			Number of beneficiaries with livelihood opportunities improved												
			• DOLE Integrated Livelihood Program	2015	3,500	4,000	4,500	5,000	5,500	6,000	6,500	31,500	Reports	DOLE, LGUs, PESO,	
			• OFW Livelihood Assistance/ funding required	2016	120	305	440	515	620	725	850	3,455		OWWA-X LBP	
			• OFW returnees (reintegration program)	2015	62	130	170	200	230	260	290	1,280		NRCO, DOLE	
Sub-sector Outcome 2: Access to affordable, adequate, safe and secure shelter towards well-planned communities expanded															
	3- Accelerate infra-structure spending	11											Annual Accomplishment Report submit-ted to HUDCC	HDMF, NHA, SHFC	-Willing-ness of the population to avail of home packages;
			Percentage increase of housing needs met (backlog +	2011-2015	28,536 (housing units)	2% (Annually)						32,136 (housing units)			

OBJECTIVES/ RESULTS	0 TO10 POINT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		TARGET						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
			incremental housing need)												-Land banking is undertaken by the LGUs; and  -Willingness of land owners to engage into community mortgage program
			Socialized housing target increased	2013-2015	400 (average)	512	655	839	1,074	1,374	1,759	1,759			
			Percentage of LGUs with DRR-CCA-Enhanced Comprehensive Land Use Plan (CLUPs)*	2011-2015	18.2%	30%	40%	50%	60%	70%	80%	80%			
			*All 93 LGUs are due for CLUP updating using the HLURB Guidelines on Mainstreaming DRR-CCA which was approved in 2013												



PART IV

# **INCREASING GROWTH POTENTIAL ("PATULOY NA PAG-UNLAD")**





# 13

Reaching for the  
Demographic  
Dividend



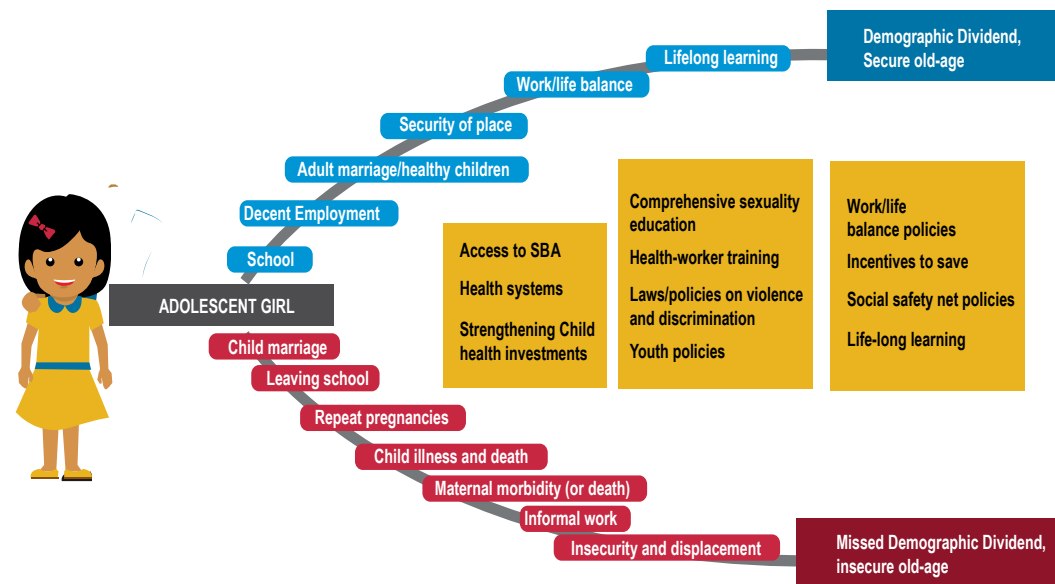


## Chapter 13

# Reaching for the Demographic Dividend

"Demographic dividend is the accelerated economic growth that may result from a decline in a country's mortality and fertility and the subsequent change in the age structure of the population. With fewer births each year, a country's young dependent population grows smaller in relation to the working-age population. With fewer people to support, a country has a window of opportunity for rapid economic growth if the right social and economic policies are developed and investments are made"<sup>1</sup>.

**Figure 13.1 Demographic dividend crossroads of an adolescent girl<sup>2</sup>**



Source: UNFPA, *A Value Proposition for the Demographic Dividend*, 2015

To achieve the desired structure of demographic dividend, this requires stronger enabling social policies and interventions encompassing investments

on education, health, and decent job creation while upholding rights and freedom thus, contribute to an economic growth. The foresight of implementing the

<sup>1</sup> Policy Brief on the Challenge of Attaining the Demographic Dividend, by James Gribble and Jason Brenmer, Population Reference Bureau, Washington DC, USA ([www.prb.org](http://www.prb.org))

<sup>2</sup> Taken from the presentation of Undersecretary Rosemarie G. Edillon, PhD of NEDA during the Foresight, Futures and Strategic Planning: Innovating for the PDP 2017-2022, 10 October 2016

said policies shall enable the government to tailor the investments in ensuring inclusive development.

The outcome trajectories for an adolescent girl in Figure 13.1 indicate the success or failure of the government interventions. The secured old-age track of demographic dividend is the result of successful

interventions from which an adolescent girl had gone to school, landed a decent employment, with secured place and balance work, and lifelong learning. In contrast, the missed demographic dividend outlines the negative impact brought upon by the ineffective or failed government interventions.

## Assessment

As a new chapter in the PDP/RDP, the assessment is based on the several indicators that would describe the demographic, health and economic trends of the region relative to demographic dividend.

### Population

Northern Mindanao's (Region X) population of 4,689,302 in 2015 comprised 19.42 and 4.64 percent of Mindanao's, and the country's total population of 24,135,775 and 100,981,437, respectively. The region placed 2nd to Davao region in terms of population in the past three censal years among the Mindanao regions.

Misamis Oriental and its three cities comprised the highest population (1,564,459) followed by Bukidnon and its two cities (1,415,226), Lanao del Norte, including Iligan City (1,019,013), Misamis Occidental and its three cities (602,126), and Camiguin (88,478).

The region's average annual growth rates (AAGR) for the past three censal periods posted a fluctuating yet declining trend from 2.06 percent in 2000-2010, to 1.68 percent in 2010-2015, and 1.92 percent in 2000-2015. The region's AAGR (1.92%) in 2000-2015 is slightly higher than the national average of 1.84 percent.

**Table 13.1 Total population, Philippines, Mindanao and Region X, 2000, 2010, 2015**

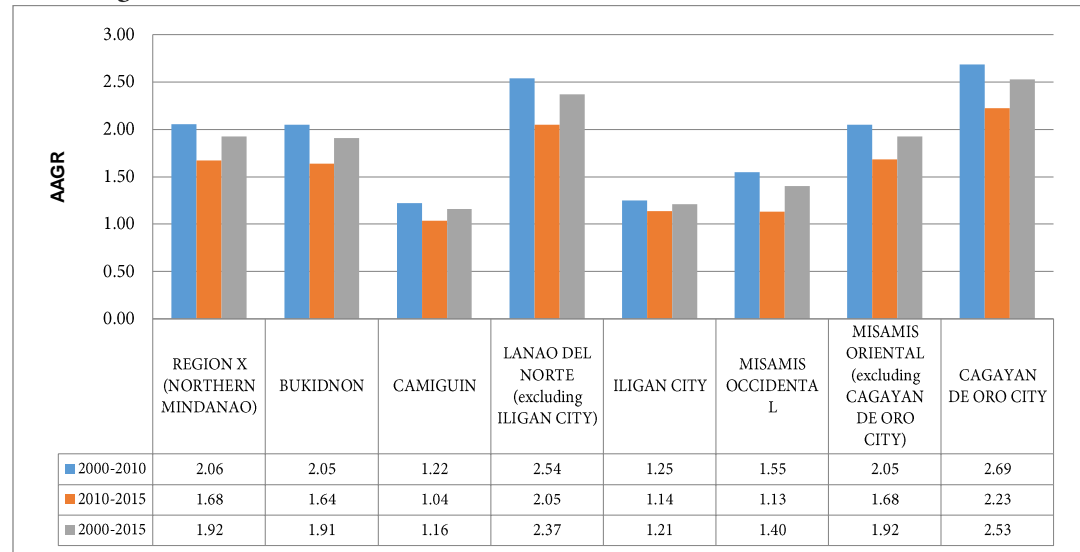
PROVINCE AND HIGHLY URBANIZED CITY	TOTAL POPULATION		
	2000	2010	2015 (AUG 1)
Philippines	76,506,928	92,337,852	100,981,437
Mindanao	18,133,864	21,968,174	24,135,775
<b>Region X</b>	<b>3,505,708</b>	<b>4,297,323</b>	<b>4,689,302</b>
Bukidnon	1,060,415	1,299,192	1,415,226
Camiguin	74,232	83,807	88,478
Lanao del Norte (excluding Iligan City)	473,062	607,917	676,395
Iligan City	285,061	322,821	342,618
Misamis Occidental	486,723	567,642	602,126
Misamis Oriental (Excluding CDO)	664,338	813,856	888,509
Cagayan de Oro City	461,877	602,088	675,950

Source: PSA

Lanao del Norte grew faster than the other provinces at 2.37 percent between 2000-2015, higher than the region's average population growth rate (1.92%). Misamis Oriental placed second with 1.92 percent similar to that of the region's average during same period. Cagayan de Oro's AAGR slightly decelerated from 2.69 percent in

2000-2010 to 2.53 percent in 2000-2015. The region's population in 2015 will double in 36 years, faster than the national average by two years. Lanao del Norte will double its population in 30 years, while Misamis Oriental in 36 years similar to that of the region.

**Figure 13.2 Population annual average growth rate, by province and highly urbanized cities, Region X, 2000-2010, 2010-2015, & 2000-2015**



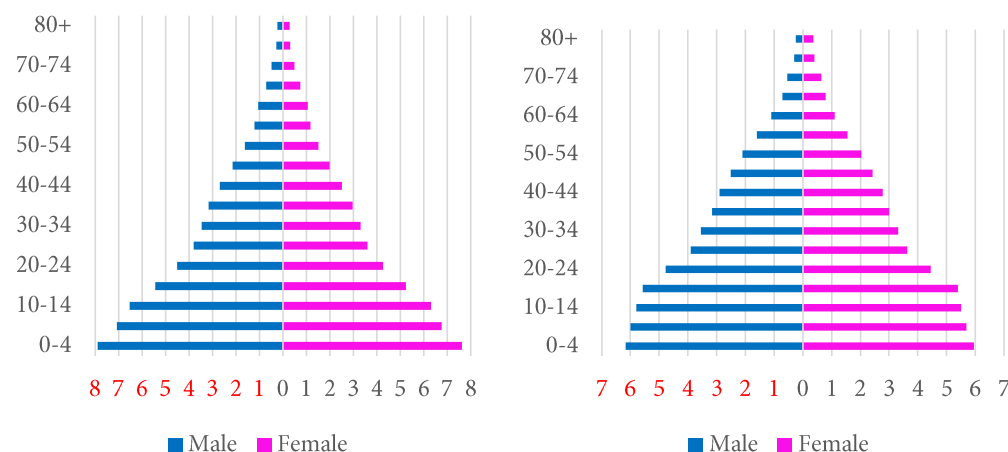
Source of basic data: PSA

## Population Pyramid

Similar to the age structure of the country, the region's population pyramid is a typical broad base at the bottom consisting of large number of young dependents and narrow top made up of relatively small number of elderly. In 2010, young dependents belonging to age group 0-14 years comprised 35.1 percent. The old dependents (65 years and over) accounted

4.0 percent, while 60.9 percent comprised the economically active population.

**Figure 13.3 Age-sex pyramid of household population, Region X, 2000 and 2010**



Source of basic data: PSA

As shown in the population pyramid, the region is growing rapidly, and the children and adolescents make up a disproportionately large part of the population. Thus, these age groups depend on financial support from working-age adults (from 15 to 64). Large numbers of young people can represent great economic potential, but only if families and the government can adequately invest in their

health and education and stimulate new economic opportunities for them. However, as long as the average number of children per woman (total fertility rate) and population growth remain high and children and adolescents greatly outnumber working-age adults, families and governments will not have enough resources needed to invest adequately in each child.

## Dependency Ratio

In 2000, the total dependency rate of Region X was 76, which indicates that for every 100 working age population, there were about 76 dependents (70 young dependents

and 6 old dependents). In 2010, this was reduced to 64 with 57 young and 7 old dependents.

**Table 13.2 Percentage of population by age group to total population and dependency ratio, Region X, 2000 and 2010**

YEAR	TOTAL POPULATION, REGION X	% OF 0-14 (YOUNG DEPENDENTS)	% OF 15-64 (WORKING POPULATION)	% OF 65 AND ABOVE (OLD DEPENDENTS)	TOTAL AGE DEPENDENCY RATIO
2000	2,757,975	39.7	56.8	3.5	76.1
2010	4,327,200	35.1	60.9	4.0	64.3

Source of basic data: PSA

The total age dependency ratio of the region, by sex, is higher in females (65.20%) than males (63.35%) in 2010. Compared in 2000, this is an increase of about

13 percentage points for females, and a significant reduction of 16 percentage points for males.

**Table 13.3 Age dependency ratio, by sex, Region X, 2000 and 2010**

AGE DEPENDENCY RATIO	2000	2010
<b>Total</b>		
Child dependency ratio	69.92	57.68
Old-age dependency ratio	6.21	6.57
Total dependency ratio	76.13	64.25
<b>Male</b>		
Child dependency ratio	73.8	57.61
Old-age dependency ratio	5.8	5.74
Total dependency ratio	79.7	63.35
<b>Female</b>		
Child dependency	47.8	57.76
Old-age dependency ratio	4.5	7.44
Total dependency ratio	52.3	65.20

Source of basic data: PSA

### Life expectancy (at birth)<sup>3</sup>

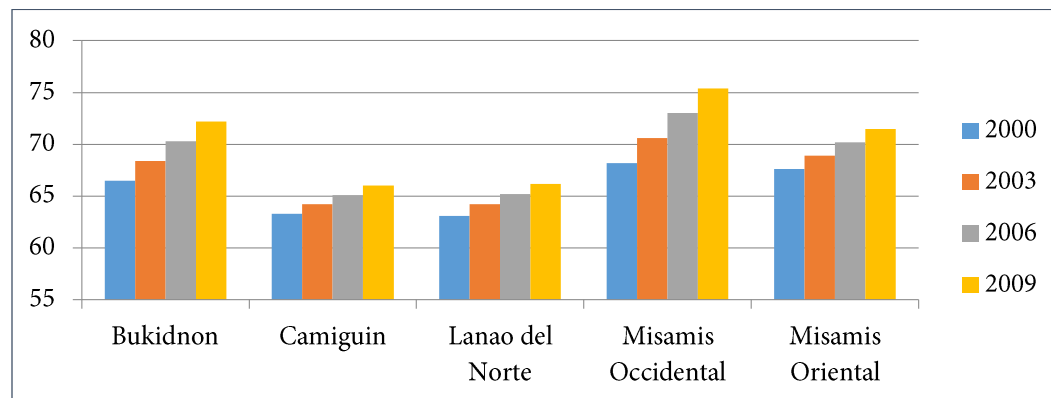
Region X's life expectancy (at birth) in Census 2000, was higher in females (70.61 years), than males (65.38 years), as compared to the country's 71.64 years for females, and 66.11 years for males.

Misamis Occidental consistently maintains to have the highest and increasing life

expectancy from 68.2 years in 2000 to 75.4 years in 2009. It is followed by Misamis Oriental from 67.6 years in 2000 to 71.5 years in 2015, and Bukidnon, 66.5 to 72.2 years in the same period. Lanao del Norte and Camiguin then followed with almost close and similar figures (from 63.1 to 66.2 years).

<sup>3</sup> The expected lifespan of a person who is born in a certain year. It indicates the number of years a newborn infant would live if prevailing patterns of mortality at the time of its birth were to stay the same throughout its life. (United Nations Population Division/PSA)

**Figure 13.4 Life Expectancy (at birth) by province, Region X, 2000, 2003, 2006, and 2009**



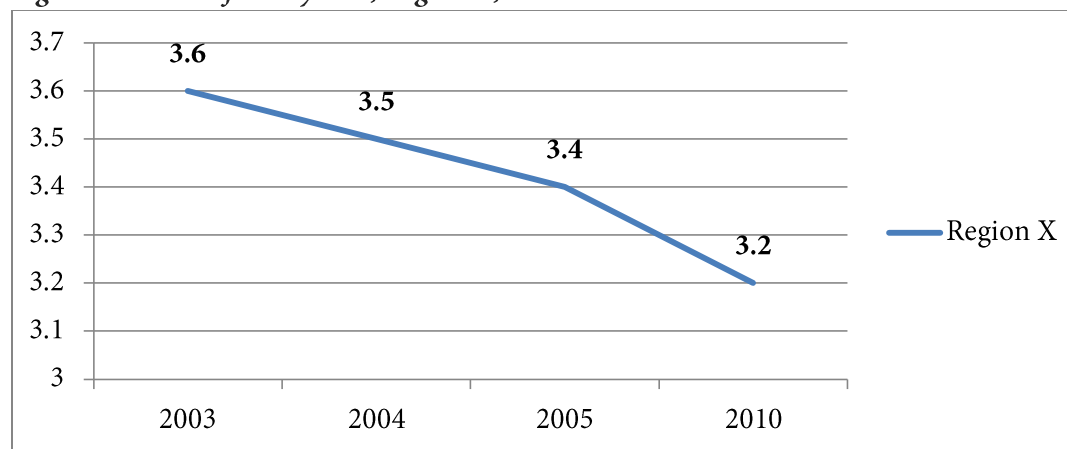
Source of basic data: Human Development Network, PSA

## Total Fertility Rate (TFR)

The decline in fertility is essential for demographic dividend. Between the periods 2003 to 2010, Region X registered a declining trend in its Total Fertility Rate (TFR) which means that the average

number of children born to every woman over her lifetime in the region has reduced. However, this is higher than the replacement level fertility of TFR=2.

**Figure 13.5 Total fertility rate, Region X, 2003 to 2010**



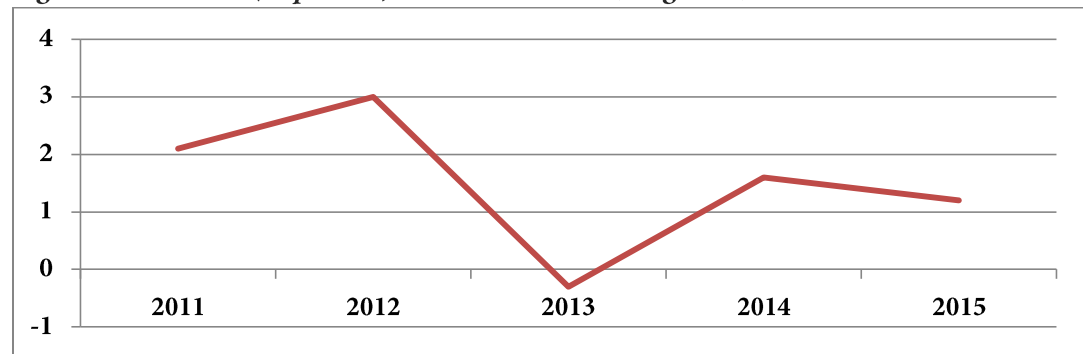
Source of basic data: DOH/POPCOM

## Growth in the Labor Force

The growth of the labor force of Region X (ages 15-64 years old) from 2010-2015 was unstable, but on the average increased at 2.5 percent annually. This is relatively

higher with the growth in 0-14 years age group or young dependents (projected data for 2010 -2015) at 0.38 percent annually.

**Figure 13.6 Growth (in percent) in the Labor Force, Region X, 2011-2015**



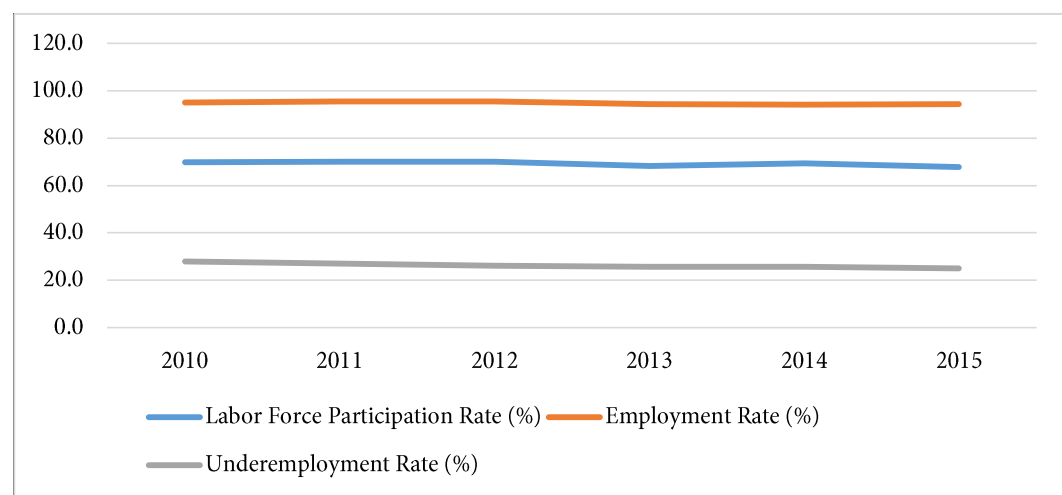
Source of basic data: PSA

## Other Employment Indicators

The Labor Force Participation Rate (LFPR) in the region during the period 2010-2015 was relatively stable at almost 70 percent. While employment rate is also stable at almost 95 percent during the same period,

underemployment rate remained high at more than 20 percent. This would imply seasonality of jobs and irregularity of work of those employed.

**Figure 13.7 LFPR, employment and underemployment rates (%), Region X, 2010-2015**



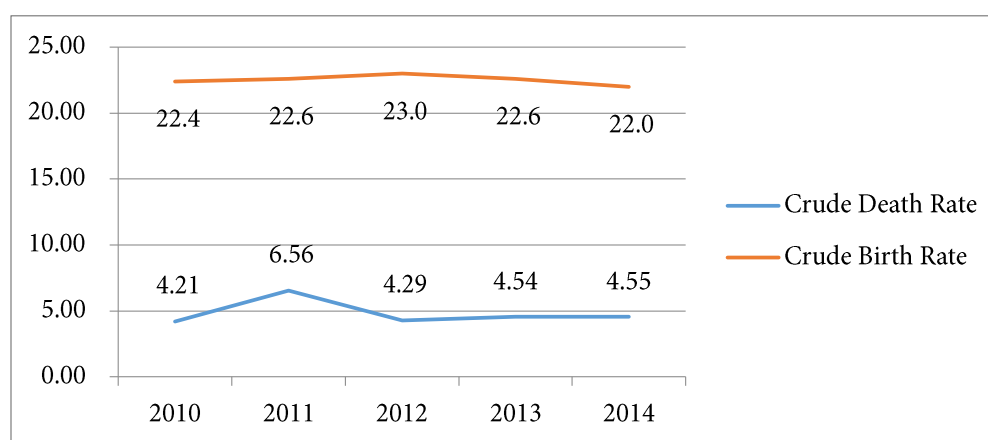
Source of basic data: PSA

## Crude birth and death rates

Region X's crude birth rate, while it registered an upward trend from 2010-2012, declined in 2013-2014 (22.4 to 22 births per 1,000 population). The crude

death rate of Region X increased between 2010-2011, but dropped in 2012 to 4.55 deaths per 1,000 population.

**Figure 13.8 Comparison of Crude Birth and Death Rates (in percent), Region X, 2010 to 2014**



## Challenges

Region X has not made significant improvement in decreasing the fertility rate in the past decade since it is still higher than the replacement level of two. Unmet need for family planning remains high and contraceptive prevalence rate is considered low at less than 55 percent. These resulted to a large base population with 0-14 years old which comprised about 35 percent to the total population in 2010.

The average annual population growth rates in the past three decades although decelerating but still more than 1.5 percent, while birth rates remained erratic at more than 20 per 1,000 livebirths. Results from

the 2013 Young Adult Fertility and Sexuality Study (YAFS4) indicate that 13 in 100 teenage females in Region X have already begun childbearing, which is almost the same as the national average (13.6). Moreover, the proportion of teenage females in the region who have begun childbearing was 19 percent for age 19 while 26.5 percent for age 18, and three percent for ages 15-16 years old. Thus, huge investments are needed to meet the needs of the youngest age groups with limited resources left for economic development and family welfare.

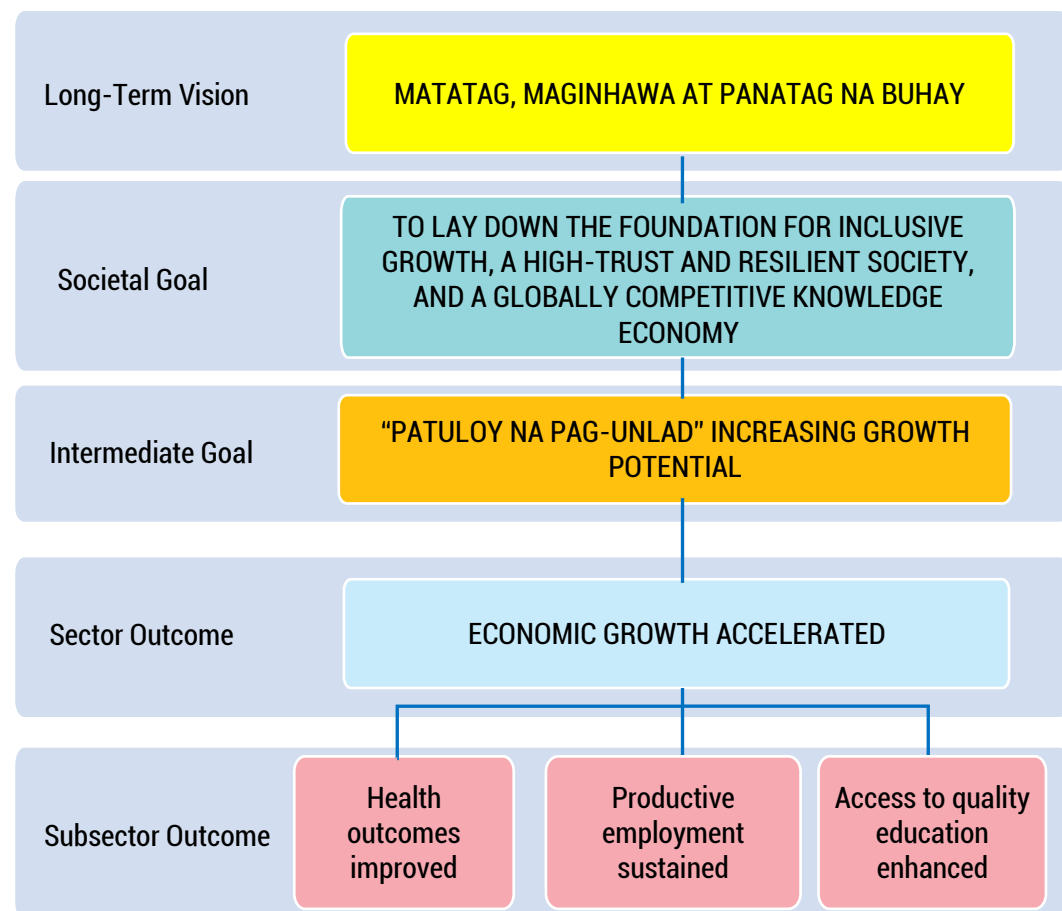


The total age dependency ratio particularly the child dependency ratio remained high. This is compounded with the high underemployment of more than 20 percent. With these demographic and economic conditions, the demographic dividend for

the country and the region may take several decades if there is no focused-investments for health, education, and policies and programs that create jobs and economic growth.

## Strategic Framework

*Figure 13.9 Strategic framework for reaching for the demographic dividend*



## Sector outcome: *Economic growth accelerated*

Consistent with the PDP 2017-2022 Framework, particularly on the pillar “*Patuloy na Pag-Unlad*” or increasing potential growth, “reaching for the demographic dividend” is critical in setting the foundation for inclusive growth, a high-trust society and globally competitive economy. Attendant to this, is the demographic sweet spot<sup>4</sup> as characterized by the following: a) when there is a decrease in the dependency ratio brought by lower fertility which can yield increased per capita output, b) When there is an increase in the proportion of a productive working age which can yield an increase in per capita output, and c) when fertility declines reaching low levels that approximate that of mortality levels.

The region’s challenge in reaching for the demographic dividend is through the implementation of strategic policies and investments in human capital particularly in health and education and economic programs including the creation of employment to absorb the expanding labor force and thus, promoting long-term economic growth.

Economic growth is accelerated through the attainment of the following subsector outcomes: a) health outcomes improved; b) productive employment sustained; and c) access to quality education enhanced. Better health outcomes increase educational opportunities of children and young people in strengthening their physical and cognitive development and ensure a healthy

population that greatly contributes to a highly skilled and economically active labor force.

## Subsector outcome 1: *Health outcomes improved*

The implementation of the following priority strategies shall be pursued in the region during the planning period<sup>5</sup> :

### **Strategy 1: Intensify the advocacy on health and sexuality education**

To advocate health and sexuality education and address the unmet need for family planning, the government shall intensify the IEC drive through conduct of “*Bahay-bahay* for family planning information and services” (door-to-door family planning information and services) either inside the home or in the community to address health concerns and dispel fear of side effects on various methods of family planning.

### **Strategy 2: Improve health outcomes for both mother and infant**

As a devolved function, the LGUs shall set-up and mobilize an effective information and service delivery network for a comprehensive adolescent, maternal and child health program. The improvement of health in mother and infant is essential towards achieving a healthier population for the next generation of the working force.

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<sup>4</sup> *Comission on Population reference materials on demographic dividend.*

<sup>5</sup> *Please refer to Chapter 11: for the health and nutrition related strategies to achive better health outcomes of the populace*

**Strategy 3: Promote the implementation of gender-sensitive and rights-based comprehensive sexuality education in schools and in other learning systems and modalities**

To raise the awareness among youths as regards to sexuality education, the conduct of the following activities in coordination with the DepEd, PopCom, LGUs, and private sector shall be intensified: a) Adolescent Sexuality and Reproductive Health (ASRH) classes, b) you-for-you (U4U) roll-outs, c) peer educators training, and d) Population and Development (POPDEV) clubs.

**Strategy 4: Enable couples and women to achieve their desired fertility intentions**

Couples and women who are fecund and sexually active and want to limit or space their children<sup>6</sup> shall have complete information with regard to the use of modern method of contraception. This is attained through promotion on the use of FP services to first time mothers thus, prevent repeat pregnancy, increase the referral system, and provide better access to family planning commodities.

**Strategy 5: Pursue full implementation of RPRH Law**

The signing of Executive Order. 12 (s. 2017) to attain and sustain the “Zero Unmet Need for Modern Family Planning” through the strict implementation of the Responsible Parenthood and Reproductive Health Act (RPRH) is seen to accelerate the

demographic transition. The EO aims to intensify and accelerate the necessary interventions to achieve the number and spacing of children, within the context of responsible parenthood and informed choice, and to access needed reproductive health care information and services. With fewer children, families have more disposable income and are better positioned to save and invest in the education and health of their children. Thus, significantly contribute to a highly skilled and productive labor force.

This can be achieved through the following:

- a) Localize legislation and support among LGUs to the RPRH Law;
- b) Strengthen and monitor the functions of the DILG, DOH, PopCom and other agencies (e.g. DSWD, PCW, Philhealth, NYC) in the implementation of EO 12 (s. 2017);
- c) Provide incentives to LGUs with exceptional population management;
- d) Include population management as criteria for the Seal of Good Local Governance award;
- e) Stringent monitoring of LGUs as to their compliance of the RPRH;
- f) Revisit population as one of the criteria in the IRA allocation because of the lukewarm support of the LGUs to population management;
- g) Integrate RPRH in the national poverty reduction and social protection programs;

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<sup>6</sup> Executive Order No. 12 (s. 2017)

- h) Ensure integration of adolescent reproductive health concerns in youth development agenda and strategies; and
  - i) Implement benefit packages that ensure maximum benefits for family planning services.
- growth (please refer to Chapter 11: Accelerating Human Capital Development).

### *Subsector outcome 2: Productive employment sustained*

Apart from investments in health, education, and family planning, policies and programs to attract economic investments in the agriculture, industry and services sectors to create sustainable employment shall be intensified to raise standards of living of the population.

Economic opportunities must also reach the rural and poorer segments of the population. Microfinance programs in rural areas coupled with skills enhancement trainings and capacity building can provide income-generating support to the poorest and most vulnerable sectors in society (please refer to Chapters 8-10 on Expanding economic opportunities in agriculture, industry and services).

### *Subsector Outcome 3: Access to quality education enhanced*

Research shows that access to education delay marriage and pregnancy, and provides the skills and confidence to be effective in the labor force. Education fosters lower fertility and is a critical investment for a stronger economy. Education programs should be accessible and responsive to the changing labor market requirements. Greater participation in the labor force stimulates economic

# Results Matrix

*Table 13.4 Results matrix for reaching for the demographic dividend*

OBJECTIVES / RESULTS	0 TO 10 POINT SOCIO-ECONOMIC AGENDA	SDGS	INDICATOR	BASELINE		ANNUAL PLAN TARGETS						END-OF-PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
1. Health outcomes improved	Agenda 10	No. 3	Total fertility rate decreased	2010	3.2	3.0	2.9	2.8	2.7	2.6	2.5	2.5		POPCOM, DOH, LGUs	Full implementation of EO 12 (s. 2017)
			Unmet need for family planning reduced	2013	22 (NDHS)					5	<5	<5		POPCOM, DOH, LGUs	
			Contraceptive prevalence rate increased	2015	52.99	55	59	63	67	71	75	75		POPCOM, DOH	
			Crude birth rate reduced	2014										POPCOM, DOH, PSA	
			Incidence of Teenage (15-24 yrs. old) pregnancy reduced	2013	28.90	26	24	22	20	18	15	15		DOH, POPCOM	
			Incidence of Teenage (15-19 yrs. old) pregnancy reduced	2013	13.0			10			5	5		DOH, POPCOM	
			Life expectancy at birth increased	2015	72.77 <sup>7</sup>						75	75		DOH, PSA	

<sup>7</sup> From DOH-CO through DOH-Region X as indicated in the PDP indicators with no regional baseline data (only national data)

OBJECTIVES / RESULTS	0 TO 10 POINT SOCIO-ECONOMIC AGENDA	SDGS	INDICATOR	BASELINE		ANNUAL PLAN TARGETS						END-OF-PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
2. Productive employment improved	Agenda 7	Nos. 4, 8	Total age dependency ratio reduced	2010	64.3						58	58		PSA	
			Young dependency ratio decreased	2010	57.68						50	50		PSA	
			Old dependency ratio slightly increased	2010	6.57						8.0	8.0		PSA	
3. Access to quality education enhanced	-do-	Nos. 4, 8													

14

Vigorously  
Advancing Science,  
Technology and  
Innovation





## Chapter 14

# Vigorously Advancing Science, Technology and Innovation

The science, technology and innovation (STI) sector has taken proactive roles in regional development efforts along productivity and competitiveness, economic growth, job creation, resiliency, and reduction of disaster risks due to natural hazards and climate change.

STI plays an important role towards increasing the region's potential growth by addressing the sector's challenges, and harnessing its opportunities vis-à-vis future trends.

This chapter discusses the desired outcomes and corresponding priority strategies that the sector shall undertake to push the region's potential growth towards building the foundation for inclusive growth, high trust and resilient society, and a globally competitive knowledge economy. Promoting and accelerating technology adoption, and stimulating innovation shall be aligned towards attaining the country's long-term vision of "*Matatag, maginhawa, at panatag na buhay*".

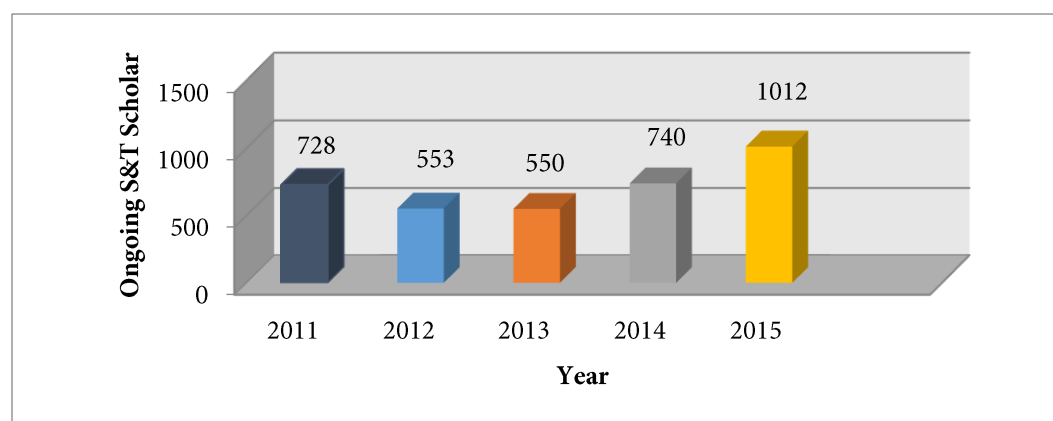
## Assessment

*Enhanced critical mass of STI human resource in terms of quantity and quality*

*Undergraduate scholarships.* The rise in the number of science and technology (S&T) scholars throughout the region was made possible through the Department of Science and Technology-Science Education

Institute (DOST-SEI) scholarship program. The number of S&T scholars increased by 39 percent from 728 persons in 2011 to 1,012 persons in 2015. The number of municipalities and cities with scholars likewise increased to 86 (covering 92% of the region's 93 cities and municipalities) in 2015 from 80 (86%) in 2013.

**Figure 14.1 Number of ongoing S & T scholars, Region X, 2011-2015**



Source of basic data: DOST-X

*Research and development (R&D).* In terms of S&T human resources engaged in R&D in 2013, Region X had only 785 R&D personnel, which was equivalent to two percent of the 36,517 R&D personnel in the country. Region X's R&D personnel comprised of those from the government (20), SUCs (371), private HEIs (120), private non-profit institutions (5), and private industries (269). This number was equivalent to 174 R&D personnel per million population, which is below the UNESCO norm of 380 R&D personnel per million population.

In terms of R&D expenditures in 2013, Region X spent PHP583.75 million broken down as follows: government, PHP106.11M; SUCs, PHP229.55M; private HEIs, PHP12.67M; private non-profit institutions, PHP12.72M; and private industries, PHP222.70M. The region's R&D expenditure was 0.24 percent of the region's GRDP, higher than that of the national's 0.14 percent. Both were still below the UNESCO norm of R&D expenditure of one percent of the GDP.

### **Increased productivity and enhanced competitiveness of regional products and services**

Geared toward increasing productivity and enhancing competitiveness of regional products and services, the Small Enterprise Technology Upgrading Program, Regional Standards and Testing Laboratories Program, and Grants-In-Aid Program were sustained.

*Small Enterprise Technology Upgrading Program (SETUP).* This program has been running for more than a decade, and has contributed to the continuous improvement of products and services of micro-, small- and medium-scale enterprises (MSMEs).

SETUP focuses on the following priority sectors: food processing; furniture; gifts, housewares and decors; marine and aquatic resources; horticulture and agriculture; metals and engineering; health products and services or pharmaceuticals; and ICT or electronics.

With a baseline of 134 firms that were first developed and assisted in 2012, the accumulated number of firms developed and assisted through SETUP reached 832 firms in 2015, which was 38 percent above the targeted 602 firms. On the other hand, the PHP429.1 million total generated sales for 2015 was 329 percent higher than the PHP100 million targeted sales for the year. Actual generated sales significantly surpassed its annual targets for 2012 to 2015.

In 2015, SETUP was responsible for the strengthening of the processed food industry through the establishment of the Northern Mindanao Food Innovation Center (NMFIC) at the University of Science and Technology of Southern Philippines (USTP). It was also through SETUP that the Complementary Food Product Centers (CFPCs) at the USTP and Xavier University (XU) were established in 2014.

NMFIC serves as the model hub for innovations and technical support services for the food industry. CFPC, on the other hand, aims to reduce the prevalence of underweight in 0-60 months old infants and children through feeding with instant food blend and snack foods.

*Testing and calibration.* The Regional Standards and Testing Laboratories (RSTLs) comprising of the Accelerated Shelf-life Evaluation Laboratory, Chemical Testing Laboratory, and Microbiological Testing Laboratory remained the leading government testing laboratories, catering to the testing needs of MSMEs and other industries in the region. These have maintained accreditations with the ISO or

IEC 17025, FDA (in accordance with the provisions of RA 9711), and the DOH for the laboratory for drinking water analysis. In June 2015, these RSTLs re-obtained their EMB accreditation for environmental compliance.

From 2010-2015, these RSTLs rendered 29,649 tests and calibration services which were availed by 4,898 firms in the region.

*Local Grants-In-Aid (LGIA).* This facility provides financial grants to S&T programs and projects identified in the region's current science, technology, and innovation sector priorities and thrusts, such as generation and diffusion of knowledge and technologies, development of human resources for the S&T sector, and provision of quality S&T services.

In 2014, the City Government of Cagayan de Oro implemented the Electronic Business Permitting and Licensing System or eBPLS at the Business One Stop Shop at the City Hall and Robinson's *Lingkod Pinoy*. The city exceeded the service standards set by the DILG-DTI Joint Memorandum Circular on Business permitting and licensing. In addition, the city put in place kiosks for billing and queuing to facilitate payment of business and real property taxes, and community tax or *cedula*. The beneficiaries of the grant expanded into over 18,000 registered businesses.

In 2016, the phase 1 on the formulation and implementation of the electronic Building Permit Management System or eBPMS was conducted for the Cagayan de Oro City Government – Office of the Building Official (CDO-OBO) with funding support

amounting to PHP1,102,000.00. Activities executed were inter-agency meetings and coordination; focus group discussions to streamline procedures in securing building permit; standardization of requirements; provision of resources, such as hiring of manpower, procurement of ICT equipment

for automation, and acquisition of new vehicle; and change management activities. The automation system of the CDO-OBO eBPMS level 1 on online application tracking started on 4 March 2016. It is targeted that by the second quarter of 2017, pure online applications through the use of the system shall be fully implemented.

**Table 14.1 Accomplishment of selected STI indicators, Region X, 2012-2015<sup>1</sup>**

INDICATOR/UNIT	BASELINE (2012)	2013	2014	2015	TOTAL
<b>Increased number of MSMEs developed and assisted</b>					
Total accomplishment (actual, existing and start-up firms)	134	114	311	273	832
Annual total target	51	109	190	252	602
Percentage (deficit/surplus, actual against target)	163%	5%	64%	8%	38%
<b>Increased productivity of MSMEs firms (In terms of sales generated in million pesos)</b>					
Actual gross sales (in million pesos)	193.4	222.7	269.1	429.1	1,114.3
Target gross sales (in million pesos)	133.0	36.6	36.6	100.0	306.2
Percentage (deficit/surplus, actual against target)	45%	508%	635%	329%	264%
<b>Increased percentage in the number of ARGs installed/maintained</b>					
Target increase (%) over the baseline	13	100%	100%	100%	100%
Actual cumulative increase (%) over the baseline	13	215.38%	230.77%	300%	300%
Actual cumulative increase (absolute)	13	41 (w/ 22 newly installed)	43 (w/ 2 newly installed)	52 (w/ 9 newly installed)	52
<b>Increased percentage in the number of WLMSs</b>					
Target increase (%) over the baseline	6	134%	134%	134%	134%
Actual cumulative increase (%) over the baseline	6	267%	367%	367%	367%
Actual cumulative increase (absolute)	6	22 (w/ 16 newly installed)	28 (w/ 6 newly installed)	28 (w/ 1 newly installed)	28
<b>Increased percentage in the number of AWSs installed/maintained</b>					
Target increase (%) over the baseline	2	0%	0%	50%	50%
Actual cumulative increase (%) over the baseline	2	0%	0%	0%	0%
Actual cumulative increase (Absolute)	2	2	2	2	2

Source of basic data: DOST-X

<sup>1</sup> As contained in the results matrix of chapter 9 of the updated 2011-2016 Regional Development Plan of Northern Mindanao.

### **Reduced disaster risks due to natural hazards and strengthened resiliency of the region against negative impacts of climate change**

Installation of early warning systems is still among the strategies in reducing disaster risks due to natural hazards, particularly flooding. Instruments and facilities related to early warning systems were installed as support to the implementation of Nationwide Operational Assessment of Hazards Project or Project NOAH. These instruments and facilities include Automatic Rain Gauges (ARGs), Water level Monitoring Stations (WLMs), and Automatic Weather Sensors (AWSs).

During the previous plan period, the region desired for increased percentage of ARGs, WLMs and AWSs installed and maintained. From 2012 to 2015 a total of 52 ARGs, 28 WLMs, and 2 AWSs have been installed and maintained (Table 14.1). In 2014 and 2015, the actual annual percent increase in the number of ARGs installed and maintained exceeded the RDP targets by 230.77 percent and 300 percent, respectively. In both years, the actual annual percent increase in the number of WLMs installed and maintained exceeded the RDP targets by 367 percent. It was noted that the end-of-plan targets of ARGs and WLMs have already been exceeded in 2015. The main facilitating factor attributed to the exceeding of targets was due to the LGUs' cooperation and complementation of resources.

Starting in 2012 in response to the region's disaster vulnerabilities especially typhoons, the Climate Change Commission and the Regional Disaster Risk Reduction and Management Council-X jointly came up with contingency plans and LIDAR-generated risks maps of Cagayan de Oro City and Iligan City through the Project Climate Twin Phoenix. Information from the LIDAR-generated risks maps were utilized in the 2015, updating of the Northern Mindanao Climate and Disaster Risk-Sensitive Regional Physical Framework Plan 2013-2040 (2015 Update) prepared by the Regional Land Use Committee through the NEDA-X.

### **S&T support provided for improved health status or conditions**

In 2015, activities towards reducing dengue case fatalities, and reducing the prevalence of underweight infants and children (0-60 months) were carried out. Other health projects like RxBox<sup>2</sup> and *eHatid* were also implemented.

The Sustained National Dengue Vector Surveillance (SNDVS) program distributed a total of 3,644 OL trap kits, two kits each for the 1,822 classrooms, involving 52 schools throughout the region, where all locations were mapped in dengue vector surveillance and published in DOST'S website<sup>3</sup>. In 2016, the SNDVS technology was already adopted by the private manufacturers.

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<sup>2</sup> RxBox is a medical device that measures, stores, and sends vital information of the patient (heart rate, electrocardiogram or ECG, blood pressure, pulse rate and blood oxygenation via wired and wireless network to a remote medical specialist who interprets the data to assist the medical professional actually attending to the patient.

<sup>3</sup> <http://oltrap.pchrd.dost.gov.ph/>.

USTP and XU continued to manufacture the complementary foods, which are nutritional foods blend developed by the Food and Nutrition Research Institute (FNRI). USTP produced 29,852 sachets of Rice-Monggo-Sesame blend and 7,596 packs of Rice-Monggo Crunchies for its beneficiary groups, like the Infant Pediatric Nutrition Association of the Philippines, DOH and FNRI. XU delivered 17,760 pieces of monggo blends to Barangay Carmen, Cagayan de Oro City, Talisayan and Magsaysay, Misamis Oriental.

Furthermore, 12 RxBoxes of Beta Prototype and Production Units devices have been

deployed in selected sites in the region, namely, the municipalities of Baliangao, Don Victoriano and Sapang Dalaga in Misamis Occidental; Tubod, Lala in Lanao del Norte; and Impasug-ong, Kitaotao, Malitbog, Maramag and Sumilao in Bukidnon, and Kinoguitan and Magsaysay in Misamis Oriental.

Health information system and decision-making support to LGUs have been strengthened under the *e-Hatid* LGU Project through an EMR that generates particular health reports for the DOH and the Philippine Health Insurance Corporation.

## Challenges

### *Low research and innovation productivity.*

One of the major challenges of the STI sector in the region is the low research and innovation productivity. This is also true at the national level of which the Philippines lags behind its neighboring countries in research and innovation productivity. This is manifested with the low number of personnel involved, and correspondingly, low number of researches conducted. In addition, the region has low funding for the R&D as percentage of its GRDP.

*Weak promotion of S&T.* Another major challenge is the inadequacy of STI advocacy programs to encourage students to take Science, Technology, Engineering and Mathematics (STEM) Strand. Students need to be oriented on STEM for them to recognize the importance of STI in nation-building.

### *High capital investment and cost of acquiring state-of-the-art equipment.*

The food processing industry contributes more than 40 percent of the total manufacturing output, and approximately 20 percent of the GDP per annum. However, the industry is faced with issues and challenges, like high capital investment and acquisition cost for state-of-the-art equipment. The lack of manufacturers of local equipment has deprived the local food industry players the opportunity to expand product lines in order to meet a diverse range of customer requirements, and to become globally competitive. Region X lacks fabricators whose products are compliant to standard requirements to become more competitive in both local and foreign markets.

## Strategic framework

For 2017-2022, development efforts shall be geared towards leveraging science, technology and innovation to become more effective and efficient contributor to the socioeconomic development of the region (Figure 14-2). This framework supports the overall government goal of establishing a solid foundation for inclusive growth, and high trust and resilient society, leading to the long-term vision of the *AmBisyon Natin 2040* of having the “*Matatag, Maginhawa at Panatag na Buhay*”.

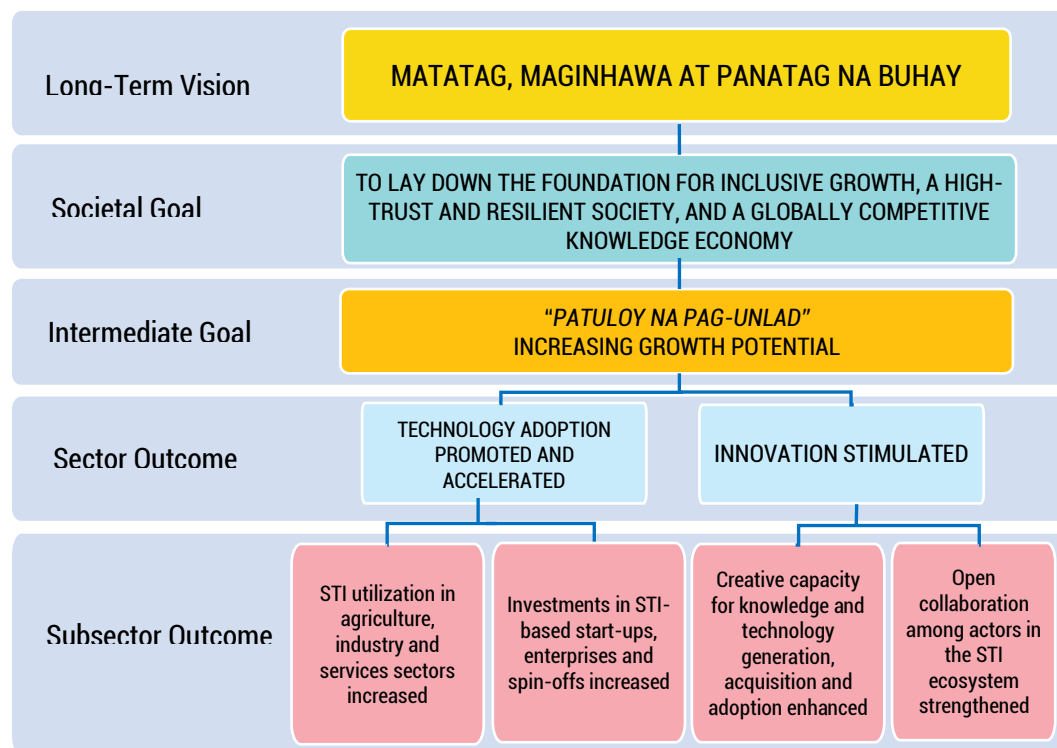
To contribute in attaining the intermediate goal of increasing potential growth or “*Patuloy na Pag-unlad*”, the sector shall

endeavor to achieve the following desired outcomes:

- 1) Technology adoption promoted and accelerated; and
- 2) Innovation stimulated.

These sectoral outcomes shall be realized by achieving these subsector outcomes: STI utilization in agriculture, industry and services sectors increased; investments in STI-based start-ups, enterprises and spin-offs increased; creative capacity for knowledge and technology generation, acquisition and adoption enhanced; and open collaboration among actors in the STI ecosystem strengthened.

**Figure 14.2 Strategic framework for vigorously advancing Science, Technology and Innovation**





### Subsector outcome 1: STI utilization in agriculture, industry and services sectors increased

#### **Strategy 1: Promote commercialization and utilization of technologies from publicly funded R&D**

Region X shall continue the LGIA program that provides funding and technical services to relevant S&T undertakings for improved productivity and quality of life by generating and promoting appropriate technologies, and assist start-up firms and community-based projects.

The Food Innovation Center,<sup>4</sup> a hub of innovation and technical support services for the processed food industry, shall continue serving the region. Likewise, the region shall sustain the High Impact Technology Solutions project to promote locally-developed technologies or Filipino innovation in addressing the needs and problems of the food industry.

The region shall also provide technical consultancy services through the DOST's Food Safety, Manufacturing Productivity Extension Program, Energy Efficiency Program and Audit, and Cleaner Production Assessment, among others. The technology trainings for firms, LGUs, NGOs, academe, and potential entrepreneurs shall be conducted by technology generators (R&D institutions such as DA, among others) and training

institutions (such as the Agricultural Training Institute).

Packaging and labelling services shall be pursued. These services shall offer label design, product packaging compatibility testing, nutritional analysis and labeling, shelf-life testing, provision of toll packaging, consultancy, provision of generic packaging, and package development.

Testing and calibration services shall continue to be offered by the RSTLs, an ISO/IEC 17025 certified laboratory, which provides laboratory testing assistance to MSMEs, specifically for quality assurance, product development, and compliance to market standards.<sup>5</sup>

The region shall ensure that all the technologies developed will be commercialized and adopted. Other programs geared toward pursuing STI in the region shall also be intensified.

#### **Strategy 2: Provision of varied S&T services to vulnerable and marginalized rural communities**

The region shall sustain the Community Empowerment through Science and Technology program that empowers the poorest and most depressed communities in the country, via S&T interventions in health and nutrition, water and sanitation, basic education and literacy, livelihood and economic enterprise development, and

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<sup>4</sup> FIC is a food development center supporting the present and future needs of the food market and the food processing industry. It features the processing and packaging equipment, research and testing laboratory and technology information system. The facility also provides training, consultancy, packaging and labelling services.

<sup>5</sup> The laboratory offers chemical, microbiological, and accelerated shelf-life testing to food products. Also mass, volume and temperature, as well as pressure gauges (limited capacity) calibration and formula of conversion are being provided by the Regional Metrology Laboratory (RML).



disaster risk reduction and climate change adaptation.

In addition, the region shall sustain the Complementary Food Production program to further reduce the prevalence of underweight in 0-60 months old infants and children, which will be complemented with nutrition education among mothers and caregivers.

Likewise, the region shall continue to promote the Rural Impact Sourcing project which focuses on providing jobs and other related opportunities in socio-economically disadvantaged and geographically isolated areas, especially the rural areas, where there is high population but low employment due to lack of job opportunities.

### **Strategy 3: Provision of enhanced forecasting accuracy**

Hydro-meteorological or hydromet devices<sup>6</sup> installed throughout the region shall be maintained under the Deployment of Early Warning Systems in Disaster-Prone Areas or DEWS project. These hydromet devices include ARGs and WLMS. These devices increase people's preparedness, and prevent the loss of lives and damage to properties, enhance the forecasting accuracy of PAGASA, and help LGU Disaster Management teams in addressing emergency situations through the data collected from these devices.

### **Subsector outcome 2: Investments in STI-based start-ups, enterprises and spin-offs increased**

#### **Strategy: Provision of funding, and technical and consultative services to address the competitiveness requirements of products and services in the region**

The SETUP, intended to strengthen the country's innovation system by enabling the MSMEs to address their technological requirements to improve productivity and efficiency, shall also focus on other sectors, like halal products and services, and other regional priority industries.

The region shall promote the Next Wave Cities program, which is similar to the Rural Impact Sourcing, focusing on the creation and development of ICT hubs that shall serve as IT-BPO investment destinations in the region.

Along with the other programs, the region shall establish technology business incubation (TBI) centers which aim to help startup technology-based businesses by providing a range of resources, services and facilities needed during the development stage. The goal of TBI is to produce firms that will leave the incubation program financially viable, and able to sustain operation and compete in the market.

Furthermore, with its climate conducive to rearing silkworms, the region shall also venture in silkworm production using the latest available sericulture technologies in support to the Mindanao Silk Development.

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<sup>6</sup> These devices were developed by the DOST's Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAGASA) and the Advanced Science and Technology Institute (ASTI).

### *Subsector outcome 3: Creative capacity for knowledge and technology generation, acquisition and adoption enhanced*

#### **Strategy 1: Provision of scholarship programs and promotion of STEM courses**

The region shall continue to enhance its knowledge capacity by providing scholarships through the DOST-SEI scholarship programs (RA 7687, RA 10612), DA Scholarship Program on Agricultural Enhancement Competitiveness Fund (ACEF), BFAR's Fisheries Scholarship Program (FSP), and CHED's Student Financial Assistance Programs (StuFAPS).

In addition, the region shall intensify the promotion of STEM courses to encourage incoming college students.

To support the S&T graduates, the region shall escalate the conduct of job fairs and prepare the Tracking Actual Career Experience Report.

#### **Strategy 2: Provision of knowledge resources**

The region shall provide knowledge resources like the Science and Technology Academic and Research Based Openly Operated Kiosks or STARBOOKS, which contain thousands of digitized science and technology resources in various formats (text and video/audio) placed in specially designed "pods" set in a user-friendly interface. STARBOOKS's special features are:

- Stand-alone Information kiosk, hence, information access is possible even without internet connection;
- Read-only information;
- Compendium of S&T information gathered from all over the world - a one stop S&T information source; and
- "Tamang DOSTkarte Livelihood Videos" to stimulate every Filipino's entrepreneurial capacity.

The region shall capacitate the LGUs on ICT-readiness or e-readiness to further improve efficiency of their services to the public.

Furthermore, the region shall promote the Tech4ED Project which aims at harnessing ICT to enable and empower the society in creating an inclusive, integrated and equitable countryside, through the provision of opportunities for employment and empowering entrepreneurs.

#### **Strategy 3: Intensify the region's research and development**

The proposed Regional R&D Agenda for Region X (RRDA-X) 2017-2022 prepared by the Department of Science and Technology Regional Office X (DOST-X) in consultation with the region's stakeholders, provides direction and focus of R&D initiatives and funding to priority needs and growth niches of the region. R&D shall be along the following:

1. Health priorities as identified by the Northern Mindanao Consortium for Health Research and Development (NorMinCoHRD);
2. Commodities and their value chain analyses as identified by the Northern

- Mindanao Consortium for Agriculture and Aquaculture Resources Research and Development (NOMCAARRD); and
3. Needs and potentials in process industries and necessary utilities, such as in industry and energy, by the Northern Mindanao Consortium for Industry and Energy Research and Development (NORMINCIERD).

In the proposed Techno Park, the industry experts and the academe shall collaborate to educate and train university students in specific areas of study. Moreover, the Techno Park will be considered an industrial business hub of various industries concerned with food security, energy sufficiency, information and communications, health and well-being, infrastructure and transportation, and technological innovations.

The RRDA-X shall leverage and capitalize on the convergence of multi-disciplinary R&D and innovation capacities and capabilities for the desired socio-economic development outcomes of Region X. Furthermore, it encourages the establishment of mechanisms for the private sector to collaborate and allocate resources to the conduct and the implementation of the Northern Mindanao Regional R & D Agenda 2017-2022.

#### *Subsector outcome 4: Open collaboration among actors in the STI ecosystem strengthened*

##### **Strategy 1: Establishment of academe-industry techno-park**

The Mindanao Techno Park, which is an innovative economic zone for Mindanao to be located in Alubijid, Misamis Oriental, shall be pursued to provide access to quality higher education with industry participation, especially along S&T. With STI as the backbone of industrialization, the Techno Park will be a practical means to develop the country's pool of scientists and technologists competitive enough with the rest of the ASEAN member countries.<sup>7</sup>

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<sup>7</sup> *Mindanao Techno Park Brochure, USTP (RA No. 10919)*

## Results matrix

*Table 14.2 Results matrix for vigorously advancing Science, Technology and Innovation*

OBJECTIVES/ RESULTS	0 TO 10-PT. SOCIO- ECONOMIC AGENDA	SDG	INDICATOR	BASELINE		ANNUAL PLAN TARGETS						END OF PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
Societal Goal: To lay down the foundation for Inclusive Growth, a High-Trust and Resilient Society, and a Globally Competitive Knowledge Economy															
Intermediate Goal: Increasing potential growth ("Patuloy na pag-unlad")															
Sector Outcome: Technology adoption promoted and accelerated, and innovation stimulated															
<b>Subsector Outcome 1:</b> STI utilization in agriculture, industry, and services sectors increased	Agenda 8	Goal 9	Proportion of high-tech agriculture, industry and services value added in sectoral value added increased	TBD	TBD							TBD		PSA-X	
			Share of agriculture forestry and fisheries, and industry & services R&D to sectoral GVA increased	TBD	TBD							TBD		PSA-X, DOST-X, DBM-X	
<b>Subsector Outcome 2:</b> Investments in STI-based-start-ups, enterprises, and spin-offs increased	Agenda 8	Goal 9	Percentage of Filipino patent registered in the region increased	TBD	TBD							TBD		IPOPIL, DTI-X	
			Percentage of Filipino utility model	TBD	TBD							TBD		IPOPIL, DTI-X,	

OBJECTIVES/ RESULTS	0 TO 10-PT. SOCIO- ECONOMIC AGENDA	SDG	INDICATOR	BASELINE		ANNUAL PLAN TARGETS						END OF PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
			registered increased												
			Percentage of Filipino industrial design registered in the region increased	TBD	TBD							TBD		IPOPIL, DTI-X,	
			Percentage of new/ improved products increased	TBD	TBD							TBD		DOST-X, DTI-X	
			Percentage of MSMEs developed and assisted increased	TBD	TBD							TBD		DOST-X, DTI-X	
			Sales of MSME firms (in terms of sales generated in million PHP, Gross Sales) increased	TBD	TBD							TBD		DOST-X, DTI-X	
			Percentage of MSMEs' compliance rate to international standards	TBD								TBD		DOST-X, DTI-X	

OBJECTIVES/ RESULTS	0 TO 10-PT. SOCIO- ECONOMIC AGENDA	SDG	INDICATOR	BASELINE		ANNUAL PLAN TARGETS						END OF PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
			Jobs created (in terms of person) increased	TBD	TBD							TBD		DOST-X, DTI-X	
			Number of graduates of Technology Business Incubations	TBD	TBD							TBD		DOST-X, DOST- TAPI	
<b>Subsector Outcome 3:</b> Creative capacity for technology generation, acquisition, and adoption with global standards enhanced	Agenda 8	Goal 9	Percentage of R&D expenditure in proportion to GRDP increased <sup>8</sup>	2013	0.24	0.20	0.25	0.30	0.35	0.40	0.50	0.50		DOST-X, PSA-X	
			Number of Researchers (in full time equivalent) per million population increased <sup>9</sup>	2013	174	275	280	285	290	295	300	300		DOST-X, CHED- X,PSA-X	

<sup>8</sup> Note: UNESCO Norm is 1% of GDP (Targets based on PDP 2017-2022 Draft)

<sup>9</sup> Note: UNESCO Norm is 380 researchers per million population. Region X 2013 Population: 4.5 M; Total researchers in 2013: 785 (Targets based on PDP 2017-2022 Draft)

OBJECTIVES/ RESULTS	0 TO 10-PT. SOCIO- ECONOMIC AGENDA	SDG	INDICATOR	BASELINE		ANNUAL PLAN TARGETS						END OF PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
			Percentage of technology adopted increased	TBD	TBD							TBD		DOST-X, DENR-ERDB, DA-X, DTI-X, S&T Consortia	
			Percentage of published researches increased	TBD	TBD							TBD		DOST-X, CHED-X, RDIs, SUCs, DENR-ERDB, DA, Private Companies	
			Percentage utilization of published researches increased	TBD	TBD							TBD		DOST-X, CHED-X, RDIs, SUCs, DENR-ERDB, DA, Private Companies	
			Percent of existing and operational early Warning devices conducted with preventive maintenance or equipment maintained	2015		90%	90%	90%	90%	90%	90%	90%	DOST-X OPCR	DOST-X, DA-X, LGU	
			Percent calibrated existing and operational	2015		100%	100%	100%	100%	100%	100%	100%	DOST-X OPCR	DOST-X, DA, LGU	

OBJECTIVES/ RESULTS	0 TO 10-PT. SOCIO- ECONOMIC AGENDA	SDG	INDICATOR	BASELINE		ANNUAL PLAN TARGETS						END OF PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
	Agenda 7,8, 9,10	Goal 9	Early Warning devices/ equipment maintained												
			Percentage of S&T Scholars increased :												
			DOST-SEI (RA 7687, RA 10612 )	2015	1012	1020 (1%)	1040 (3%)	1060 (5%)	1080 (7%)	1090 (8%)	2010 (99%)	2010 (99%)	DOST-X OPCR	DOST-X, DepEd, SUCs, HEIs	Scholars maintained the required minimum grade weighted average (GWA) of 2.3.
			DA-ACEF	2015	24	26 (8%)	29 (21%)	32 (33%)	35 (46%)	38 (58%)	40 (67%)	40 (67%)	DA-Central Report/ ACEF Status Report	DA, SUCs, HEIs	No drop- outs; no disqualified scholars; ACEF scholarship is extended until 2022
			BFAR-FSP	2015	41	31 (-24%)	31 (-24%)	31 (-24%)	41 (0 %)	51 (24%)	51 (24%)	51 (24%)	FSP Status Report	BFAR, SUCs, HEIs	No disqualified scholars
			CHED- StuFAPS	2016	787	800 (2%)	1600 (103%)	1800 (129%)	2100 (167%)	2250 (186%)	2500 (218%)	2500 (218%)	StuFAPS Status Report	CHED, SUCs, HEIs	No drop- outs; no disqualified scholars; maintained



OBJECTIVES/ RESULTS	0 TO 10-PT. SOCIO- ECONOMIC AGENDA	SDG	INDICATOR	BASELINE		ANNUAL PLAN TARGETS						END OF PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
															required grades
<b>Subsector Outcome 4:</b> Open collaboration among sectors in the STI ecosystem strengthened	Agenda 8	Goal 9	Percentage of Technology Transfer Agreements increased	TBD	TBD							TBD		IPOPHIL, DTI-X, DOST-X	
			Percentage of peer reviewed science, technology, engineering and math publications increased	TBD	TBD							TBD		DOST-X, CHED-X	

Note: TBD - To be determined with concerned agencies and will be submitted to the RDC-X Economic Development Committee for adoption.



PART V

# **ENABLING AND SUPPORTIVE ECONOMIC ENVIRONMENT**





15

Ensuring Sound  
Macroeconomic  
Policy



# Ensuring Sound Macroeconomic Policy

Rapid and inclusive economic growth is key to reducing poverty. This kind of growth generates decent jobs especially for non- and low-skilled workers in situations of high unemployment and underemployment, and opens more economic opportunities for individuals and enterprises. Increasing opportunities for productive work, providing more financial inclusiveness for the poor and small firms, and having a sound and supportive fiscal sector which supports investments are important channels toward inclusive growth.

## Assessment and Challenges

### *A. Gross Regional Domestic Product (GRDP)*

The region has traversed the higher growth trajectory in the past six years (2010-2015) with industry and services as growth drivers. Growth in agriculture was quite slow and its share to the regional economy has declined in the same period as the value adding activities of the sector was credited to industry.

The services sector remains the largest economic bloc, accounting for 43 percent of the regional economy and registering a product of PHP121.4 billion (at constant 2000 prices) in 2015. Top sub-sectors were trade (15.4 percent share), other services (8.1 percent share), and transport, communication and storage (7.4 percent share).

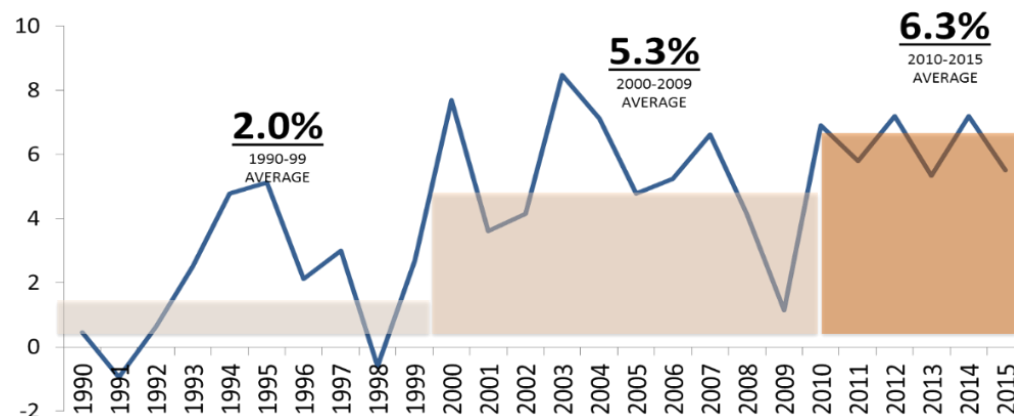
The sector grew on average by 6.9 percent in the past six years, and employed close to

half of the workforce. However, labor productivity is low as manifested by cheap part time work particularly in low skill and informal services sectors.

Most notable is the performance of industry which grew by 7.6 percent (2010-2015) with construction as the growth driver. In 2015, gross value added (GVA) of the industry sector amounted to PHP96.7 billion (at constant 2000 prices) or 34.1 percent of the regional economy. Top sub-sectors were manufacturing (20.6 percent), and construction (7.6 percent).

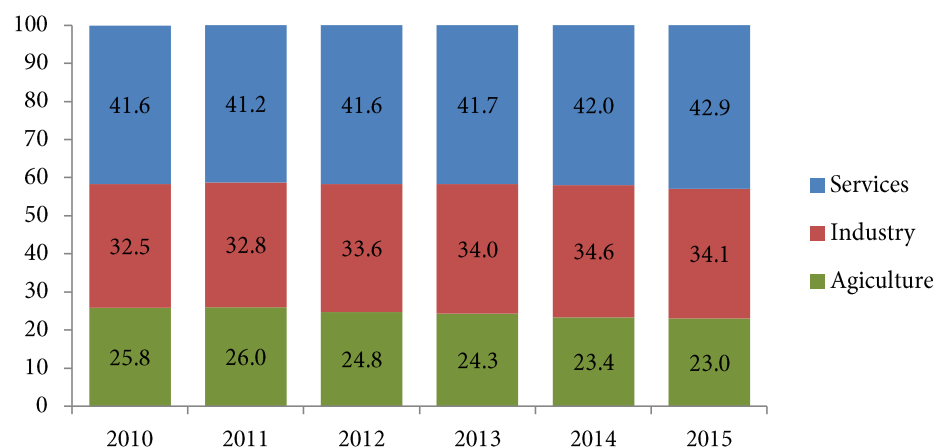
The industry sector recorded the highest labor productivity among the three sectors, but employed only 12 percent of the region's workforce.

**Figure 15.1 Gross Regional Domestic Product (GRDP at constant 2000 prices) growth rates (In percent), Region X, 1990-2015**



Source: PSA

**Figure 15.2 GRDP share (In percent), supply side, Region X. 2010-2015**



Source: PSA

The agriculture sector missed its targets as it only registered a moderate 3.7 percent growth over the previous plan period. The sector is still characterized by low productivity and lags behind the industry and services sectors. In 2015, The GVA was PHP65.2 billion (at constant 2000 prices) or 23 percent of total GRDP.

Many farmers and farm workers depend on subsistence agriculture and live in poverty mainly because of seasonal income and low wages. The agriculture sector is also considered the most vulnerable to weather shocks such as El Niño and La Niña, which have been more frequent and extreme. Nevertheless, while the sector's productivity is one-fifth that of the



industry, it recorded the highest growth among the major sectors.

The region's per capita GRDP (at constant 2000 prices) in 2015 was PHP60,290,

second highest among the Mindanao regions (Davao region at PHP61,335), but lower than the national average of PHP74,833.

**Table 15.1 Labor productivity by sector, at constant 2000 prices (in PHP), Region X, 2010-2015**

	2010	2011	2012	2013	2014	2015	AAGR (2010-2015)
Region X	113,545	116,205	121,499	129,543	133,223	142,402	4.6
Agriculture	67,666	70,251	69,618	78,657	74,011	85,880	4.9
Industry	344,879	364,507	362,636	371,057	372,028	385,104	2.2
Services	102,764	102,839	111,210	112,248	123,146	123,871	3.8

Source of basic data: PSA

## B. Labor and Employment

While growth has translated into 130 thousand more jobs over the period 2010-2015, about 5.6 percent of the workforce in 2015 were unemployed. Also, one of four workers desired to find more or

additional work hours (underemployment rate at 24.9 percent in 2015), though this was a marked improvement from 28.0 percent in 2010.

**Table 15.2 Selected labor and employment indicators, Region X, 2010-2015**

INDICATOR	2010	2011	2012	2013	2014	2015
HH Population 15 Yrs. Old & Over ('000)	2,803	2,853	2,940	3,002	3,049	3,109
Labor Force ('000)	1,956.4	1,997.1	2,056.8	2,050.4	2,082.5	2,107.9
Labor Force Participation Rate (%)	69.8	70.0	70.0	68.3	69.4	67.8
Employed Persons ('000)	1,858.6	1,907.2	1,962.3	1,933.5	1,963.8	1,989.9
Employment Rate (%)	95.0	95.5	95.4	94.3	94.2	94.4
Underemployed Persons ('000)	520.4	516.9	526.9	496.9	504.7	495.5
Underemployment Rate (%)	28.0	27.1	26.2	25.7	25.7	24.9
Unemployed Persons ('000)	97.8	89.9	94.2	116.9	118.7	118.0
Unemployment Rate (%)	5.0	4.5	4.6	5.7	5.8	5.6

Source of basic data: PSA

## C. Poverty

Poverty still lingers despite growth as three out of 10 families are still considered poor. Poverty situation improved between 2009 and 2015, however, the rate of decline had been slow.

**Table 15.3 Poverty incidence and magnitude of poor population and poor families, Philippines, Region X and Region X provinces, 1991, 2006, 2009, 2012, 2015**

AREA	POVERTY INCIDENCE AMONG POPULATION (%)					MDG TARGET	REDUCTION (%) / YEAR	POVERTY INCIDENCE AMONG FAMILIES (%)					MDG TARGET	REDUCTION (%) / YEAR
	1991	2006	2009	2012	2015			1991	2006	2009	2012	2015		
<b>PHILIPPINES</b>	34.4	26.6	26.3	25.2	21.6	17.2	0.53	29.7	21.0	20.5	19.7	16.5	14.9	0.55
<b>Region X</b>	46.6	39.0	40.1	39.5	36.6	23.3	0.42	42.6	32.1	33.3	32.8	30.3	21.3	0.51
Bukidnon		43.6	46.0	49.0	53.6			35.4	37.0	41.5	47.0			
Camiguin		34.6	25.5	53.6	34.0			31.4	20.4	41.0	29.9			
Lanao del Norte		40.7	46.2	49.1	44.3			33.1	39.7	41.4	36.3			
Misamis Occidental		44.0	46.5	42.8	36.9			37.1	37.9	33.8	30.1			
Misamis Oriental		32.0	28.9	23.4	19.3			26.5	25.0	19.1	14.9			

Source of basic data: PSA

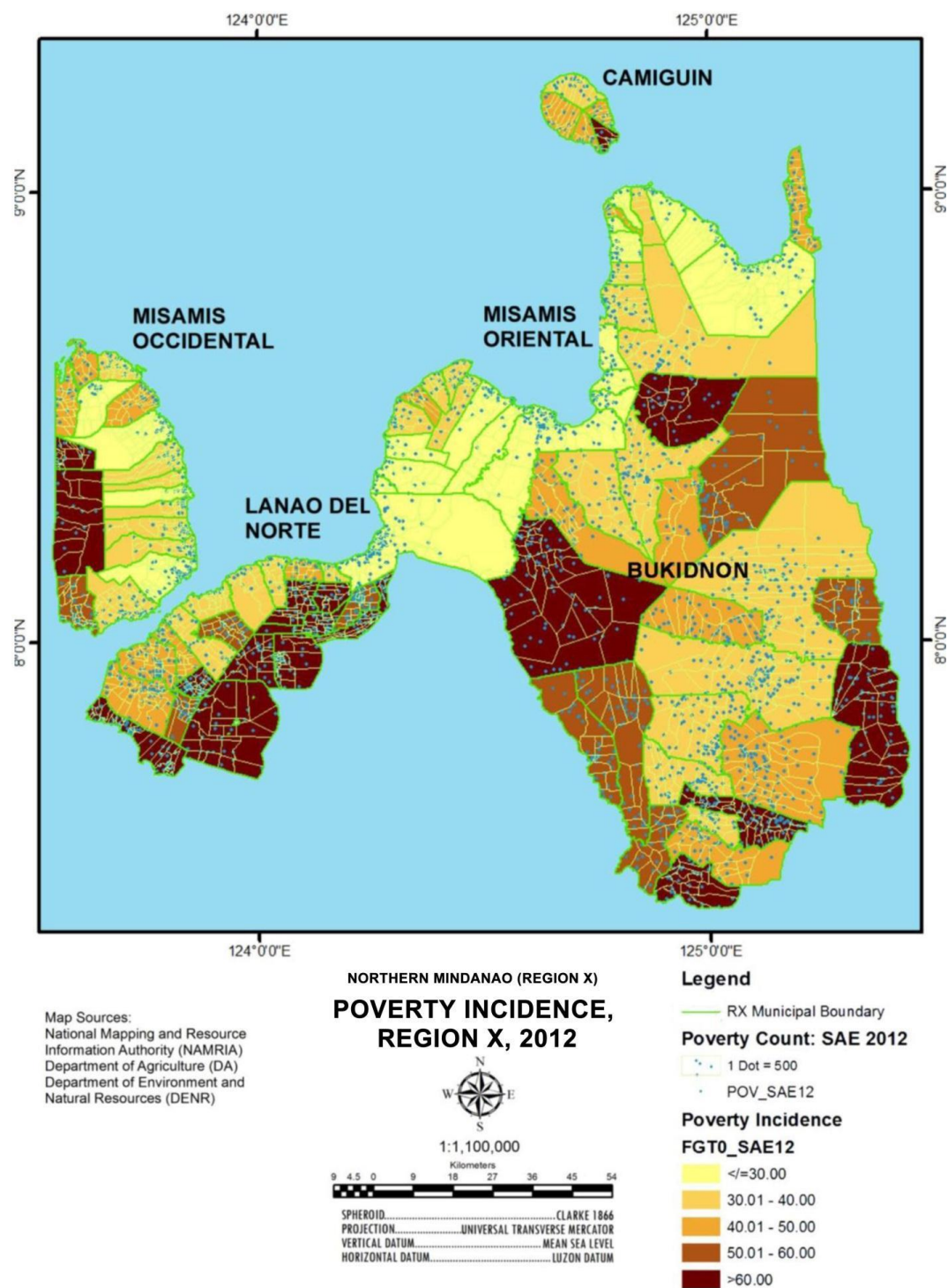
Benefits of growth have been uneven across sectors and areas. Farmers remained the poorest among the basic sectors in the region with poverty incidence of 55.1 percent. Geographically isolated and conflict-affected areas also recorded high poverty rates.

**Table 15.4 Poverty incidence of basic sectors, Region X, 2006, 2009, 2012**

BASIC SECTORS	2006	2009	2012
Women	37.3	38.9	39.9
Youth	31.8	35.8	35.0
Children	47.5	49.3	50.6
Senior Citizens	25.0	29.5	26.2
Individuals residing in urban areas	20.0	18.7	24.8
Migrant and formal sector workers	26.8	27.4	28.7
Farmers	51.3	54.9	55.1
Self-employed and unpaid family workers	40.8	45.9	44.5
Employed	34.3	36.8	35.9

Source of data: PSA

Figure 15.3 Poverty incidence by municipality, Region X, 2012



Source of basic data: PSA

## D. Revenue collections

Growth was also manifested by a strong fiscal performance as increased economic activities augured well in raising the revenue collections. Double-digit growths were recorded in tax and customs collections for the period 2010-2015, averaging 15.2 percent and 17.8 percent,

respectively. Total tax collection in the region even surpassed the 2016 target as tax receipts doubled over the medium-term period. Administrative reforms by the tax and customs bureaus attributed to improved revenue generation amid no tax raising measures during the period.

**Table 15.5 Tax collection, by type (in PHP Million), Region X, 2010- 2015**

TYPE OF TAX	2010	2011	2012	2013	2014	2015
Income Tax	3,130.20	3,735.10	4,597.30	5,188.00	6,055.90	6,510.80
Value-Added Tax	1,350.80	1,376.80	1,639.60	1,926.90	1,893.50	2,746.50
Percentage Taxes	230.90	305.80	346.90	346.60	525.30	489.50
Excise Taxes	1.20	1.80	1.70	1.50	1.60	1.30
Other Taxes	394.10	394.00	533.70	693.00	674.50	581.00
<b>Total</b>	<b>5,107.10</b>	<b>5,813.50</b>	<b>7,119.20</b>	<b>8,156.10</b>	<b>9,150.80</b>	<b>10,329.00</b>
<b>Annual Growth</b>		<b>13.83</b>	<b>22.46</b>	<b>14.56</b>	<b>12.20</b>	<b>12.88</b>

Source: BIR-X

**Table 15.6 Customs collection, by port, (in PHP Million), Region X, 2010- 2015**

PORT	2010	2011	2012	2013	2014	2015
Cagayan de Oro City	640.60	969.10	745.90	628.20	1,010.40	2,592.50
Mindanao Container Terminal – SP	3,084.90	3,865.50	4,969.20	5,760.10	6,837.20	6,013.80
Iligan City	264.70	314.30	172.90	225.50	178.10	324.60
Ozamiz	13.50	3.10	22.50	74.20	52.40	75.60
<b>Total</b>	<b>4,003.70</b>	<b>5,152.10</b>	<b>5,910.50</b>	<b>6,688.00</b>	<b>8,078.10</b>	<b>9,006.40</b>
<b>Annual Growth</b>		<b>28.68</b>	<b>14.72</b>	<b>13.15</b>	<b>20.78</b>	<b>11.49</b>

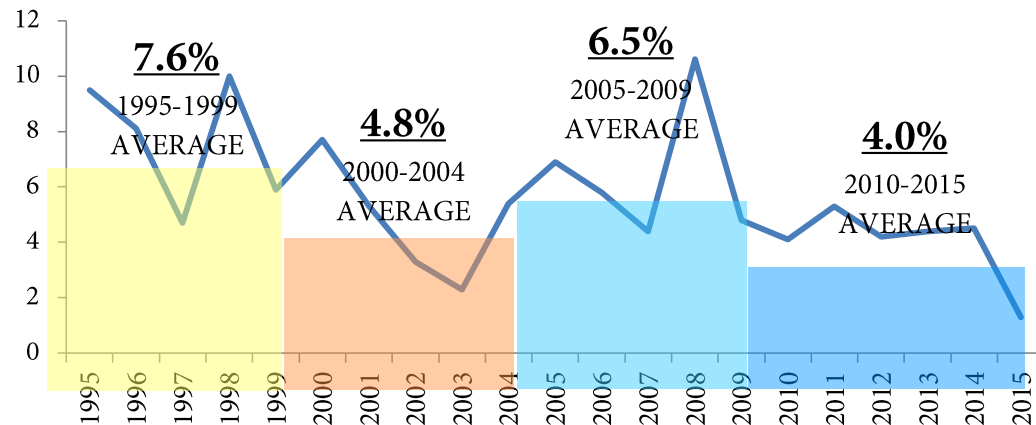
Source: BOC-X

## E. Prices

Inflation rate was at its lowest in 2015 since 1986. The 2015 figure of 1.3 percent was well within the target set by the Banko Sentral ng Pilipinas (BSP) of 2-4 percent. Easing global price pressures of fuel and

other commodity products has reduced the local commodity prices despite a steady domestic demand and strong bank lending growths.

**Figure 15.4 Annual inflation rate (In percent), Region X, 1995-2015**



Source of basic data: PSA

## F. Financial sector

As of December 2016, the region has a total of 383 banking institutions composed of 159 universal and commercial banks, 146 rural and cooperative banks, and 78 thrift banks. This approximates a ratio of 4.1 banks per city/municipality, higher than in 2011 but lower than the national target of six banks per city/municipality. While banks are still concentrated in urban areas, banking presence has improved as unbanked municipalities declined from over 30 percent in 2011 to 14 percent in 2016. Misamis Oriental accounted for about half (181 banks) of the total banks in the region.

The total assets of the region's financial system increased from PHP 83.12 billion as of December 31, 2011 to PHP 154.96 billion as of December 31, 2016. The resulting average growth rate of 14.40 percent was higher than the national target growth rate of over 10 percent annually. Commercial and universal banks accounted for 87 percent share of total assets. More than half (58 percent) of the total assets were concentrated in Misamis Oriental.

**Table 15.7 Number of banks, deposits and loans and other receivables (in PHP Billion), and loan-deposit ratio, Region X and Region X provinces, as of December 2016**

REGION/PROVINCE	NO. OF BANKS	DEPOSITS (PHP BILLIONS)	% SHARE	LOANS AND OTHER RECEIVABLES (PHP BILLIONS)	% SHARE	LOANS: DEPOSIT RATIO
<b>Region X</b>	383	144.47	100.00	40.36	100.00	0.28
Universal and Commercial Banks	159	128.92	100.00	24.42	100.00	0.19
Thrift Banks	78	10.06	100.00	8.89	100.00	0.88
Rural and Cooperative Banks	146	5.49	100.00	7.05	100.00	1.28
<b>Bukidnon</b>	92	22.19	15.361	7.41	18.362	0.33
Universal and Commercial Banks	27	19.50	15.129	4.42	18.085	0.23
Thrift Banks	18	1.00	9.920	1.33	14.940	1.33
Rural and Cooperative Banks	47	1.69	30.780	1.67	23.634	0.99
<b>Camiguin</b>	5	1.58	1.096	0.07	0.174	0.04
Universal and Commercial Banks	2	1.58	1.228	0.07	0.288	0.04
Thrift Banks	2	-	-	-	-	-
Rural and Cooperative Banks	1	-	-	-	-	-
<b>Lanao del Norte</b>	46	24.56	16.998	3.24	8.033	0.13
Universal and Commercial Banks	23	22.94	17.796	2.05	8.383	0.09
Thrift Banks	11	1.23	12.230	0.86	9.623	0.69
Rural and Cooperative Banks	12	0.38	7.000	0.34	4.815	0.88
<b>Misamis Occidental</b>	59	17.20	11.903	3.52	8.728	0.20
Universal and Commercial Banks	21	14.80	11.482	1.45	5.930	0.10
Thrift Banks	13	1.27	12.633	0.97	10.864	0.76
Rural and Cooperative Banks	25	1.12	20.447	1.11	15.734	0.99
<b>Misamis Oriental</b>	181	78.94	54.642	26.11	64.702	0.33
Universal and Commercial Banks	86	70.09	54.365	16.44	67.314	0.23
Thrift Banks	34	6.56	65.217	5.74	64.572	0.87
Rural and Cooperative Banks	61	2.29	41.773	3.93	55.817	1.71

Source of basic data: BSP

**Table 15.8 Total Assets of Financial System, By Type of Bank Group (PHP Billion), Region X and Region X Provinces, as of December 2011 and December 2016**

REGION/PROVINCE	TOTAL ASSETS AS OF DECEMBER 2010	TOTAL ASSETS AS OF DECEMBER 2016	% CHANGE	% SHARE (2016)
<b>Region X</b>	83.12	154.96	14.40	100%
Universal and Commercial Banks	55.13	134.06	23.86	87%
Thrift Banks	21.14	11.57	-7.54	7%
Rural and Cooperative Banks	6.85	9.33	6.02	6%
<b>Bukidnon</b>	9.07	22.52	24.70	15%
Universal and Commercial Banks	7.53	17.58	22.24	11%
Thrift Banks	0.62	2.13	40.35	1%
Rural and Cooperative Banks	0.92	2.81	34.19	2%
<b>Camiguin</b>	0.82	1.20	7.67	1%
Universal and Commercial Banks	0.81	1.20	8.05	1%
Thrift Banks	-	-	-	-
Rural and Cooperative Banks	0.01	-	-	-
<b>Lanao del Norte</b>	28.26	21.60	-3.93	14%
Universal and Commercial Banks	9.91	19.98	16.94	13%
Thrift Banks	16.11	1.03	-15.60	1%
Rural and Cooperative Banks	2.23	0.59	-12.28	-
<b>Misamis Occidental</b>	7.93	20.19	25.74	13%
Universal and Commercial Banks	5.94	17.34	31.96	11%
Thrift Banks	0.34	1.21	42.05	1%
Rural and Cooperative Banks	1.65	1.63	-0.13	1%
<b>Misamis Oriental</b>	37.04	89.46	23.59	58%
Universal and Commercial Banks	30.94	77.96	25.33	50%
Thrift Banks	4.06	7.20	12.91	5%
Rural and Cooperative Banks	2.04	4.29	18.47	3%

Source of basic data: BSP

Loans to deposit ratio marginally increased from 0.25 in 2011 to 0.28 in 2016. This implies that 28 percent of the deposits generated in the region were utilized as loans. Meanwhile, gross domestic savings (GDS) to GDP ratio averaged 21.4 percent

over the period 2010-2015. While this was lower than the target set in the previous plan (over 30 percent by 2016), the regional figure is higher than the country average of 16.0 percent.

**Table 15.9 Gross Domestic Savings (GDS): GDP Ratio (in percent), Philippines and Region X, 2011-2015**

GDS:GDP RATIO	2011	2012	2013	2014	2015	AVERAGE (2010-2015)
<b>Philippines</b>	16.8	14.9	15.8	17.0	15.2	16.0
<b>Region X</b>	24.0	20.6	19.5	20.9	22.1	21.4

Source of basic data: BSP

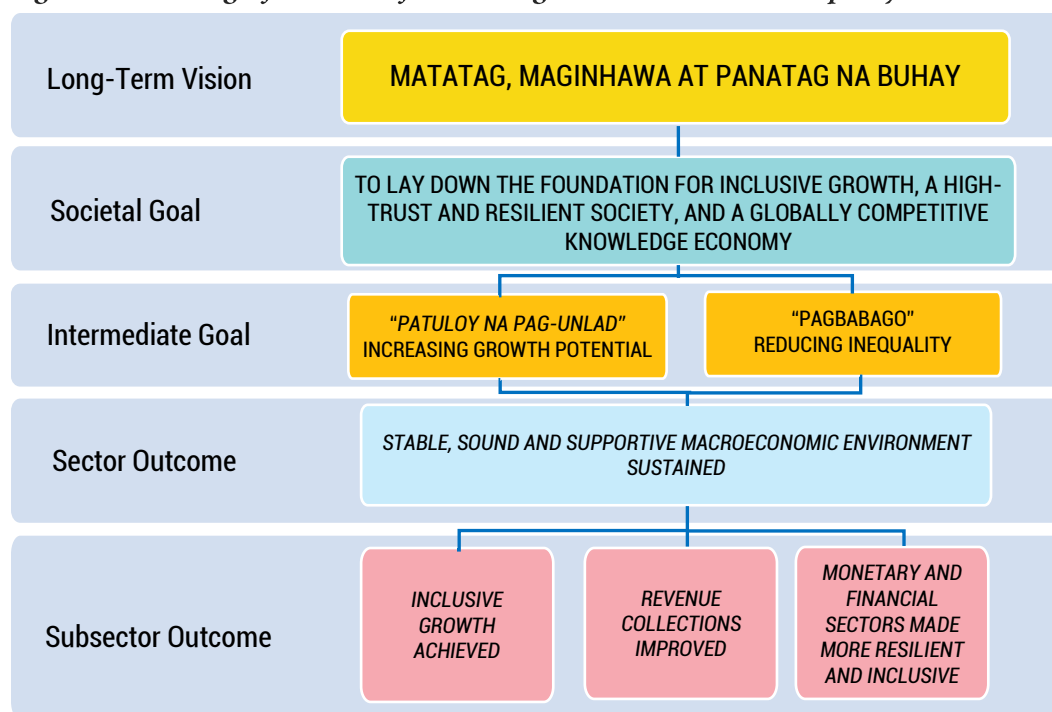
Apart from banking presence, another issue is the low loan-to-deposit ratio which may mean constrained access to financial services. This condition allowed the informal financial capital providers to

thrive, significantly increasing cost to capital, and curtailing earnings and their capacity to reinvest.

# Strategic Framework

The region aims to achieve a stable, sound and supportive macroeconomic environment by: 1) achieving inclusive growth, 2) improving revenue collections, and 3) making the monetary and financial sector more resilient and inclusive.

*Figure 15.5 Strategic framework for ensuring sound macroeconomic policy*



## Subsector Outcome 1. Inclusive growth achieved

The region has traversed the higher growth trajectory and is expected to track the same path in the next medium-term period. The industry, particularly the construction sub-sector, will drive growth over the period 2017-2022 with the current administration planning to increase infrastructure spending to 5-7 percent of the country's GDP.

The national government's deliberate effort to channel high impact infrastructure projects to Mindanao shall create more jobs and benefit the productive sectors. This

includes planned major infrastructure projects in Region X as the administration purposely increases public investments in Mindanao. Among the priorities in the region are the full implementation of the Flood Risk Management Project for Cagayan de Oro River (FRIMP-CDOR), the Panguil Bay Bridge Project, the Laguindingan Airport Development Operation and Maintenance Project, the Mindanao Railway System, and an airport project in Bukidnon.

The current administration's focus to put on track Mindanao towards a just and lasting peace shall accelerate Region X



development through increased investments and trade.

Building on sound macroeconomic policies, job creating investments and targeted public spending are expected to make significant contribution in realizing inclusive growth. Growth shall be driven by rural development to reduce poverty rate among families to as low as 22 percent by the end of the plan period.

Over the next six years, the region shall move for the resurgence of the farm sector while sustaining the high growth rates in industry and services to support the region's role as the gateway and industrial and trade center in Southern Philippines.

### *Subsector Outcome 2. Revenue collections improved*

Implementation of revenue administration reforms of the Bureau of Internal Revenue (BIR) and Bureau of Customs (BOC), in particular tax compliance and delivery of quality and timely services, shall be strengthened to attain the agencies' collection targets.

The BIR shall be aggressive in enforcing the Run After Tax Evaders (RATE), Oplan Kandado and other tax compliance programs, improving its IEC strategies targeting different obligations and taxpayers, and improving access and service delivery through the automation and information technology. The BOC shall likewise improve customs collection and trade facilitation. It shall strengthen anti-smuggling drive such as the Run After the Smugglers (RATS) program, ensure transparency and reduce corruption.

Both agencies shall also implement the National Single Window with an enhanced and full integration of electronic systems of government to facilitate trading, streamline processing of export and import clearances and permits, improve tax and customs collection, and lessen the cost of doing business.

### *Subsector Outcome 3. Monetary and financial sectors made more resilient and inclusive*

To achieve the desired sustained economic growth and the expansion in Gross Domestic Savings, the financial sector also has to expand annually. Such an expansion cannot be raised through deposit generation from family income saving and from converting short-term deposits into long-term time deposits alone. Banking institutions and regulatory agencies must revisit their regulations and their risk averseness.

Moreover, policies must be placed to expand the capital market. The challenge is how to establish a thriving capital market while allowing it to be accessible to micro and small enterprises. To ensure economic growth to be inclusive, government must also provide incentives on financial services to enterprises that directly impact the low income households.

Access to financial services shall be strengthened by increasing microfinance access to the entrepreneurial poor, educating more Filipinos on various financial products and services, and bringing them into the financial system.

# Results Matrix

*Table 15.10 Results matrix for ensuring sound macroeconomic policy*

Objectives/ Results	Indicator/ Unit	Baseline		Annual plan targets						End-of- Plan Target	Means of Verification	Responsible Agency	Assumptions and Risks	
		Year	Value	2017	2018	2019	2020	2021	2022					
Societal Goal: To lay down the foundation for Inclusive Growth, a High-Trust and Resilient Society, and a Globally Competitive Knowledge Economy														
Intermediate Goal: Increasing potential growth ("Patuloy na pag-unlad") and Reducing inequality ("Pagbabago")														
Sector Outcome: Stable, Sound and Supportive Macroeconomic Environment Sustained														
More inclusive growth achieved	GRDP Growth improved (%)	2010-2015	6.3	5.1-6.7	5.5-7.1	6.0-7.6	6.2-8.0	6.1-8.2	6.1-8.2	6.1-8.2	PSA-Regional Accounts/ Website	NEDA/RDC		
	GVA Growth in Agriculture improved (%)	2010-2015	3.7	4.0-5.5	4.0-6.0	4.5-6.5	4.5-6.5	4.5-7.0	4.5-7.0	4.5-7.0				
	GVA Growth in Industry (%)	2010-2015	7.6	6.0-7.5	6.5-8.0	7.0-8.5	7.0-9.0	6.5-8.5	6.0-8.0	6.0-8.0				
	GVA Growth in Services improved (%)	2010-2015	6.9	5.0-6.7	5.5-7.0	6.0-7.5	6.3-8.0	6.5-8.5	7.0-9.0	7.0-9.0				
	Poverty incidence among families reduced (%)	2015	30.3				25-27			22-24	22-24		PSA-PSS/ Website	
	Underemployment rate reduced (%)	2015	24.9	24	23	22	21	20	<20	<20	PSA-LFS/ Website			
Revenue collections improved	Tax collections increased (PHP billion)	2015	10.3	10.9	11.2	11.6	11.9	12.3	12.6	12.6	BIR Annual Report	BIR		
	Customs collections increased (PHP billion)	2015	9.3	10.8	12.5	13.7	15.1	16.6	18.3	18.3	BOC Annual Report	BOC		
Monetary and financial sectors made more resilient and inclusive	Stable inflation rate (%)	2015	1.3	2-4	2-4						BSP Annual Report	BSP		
	Financial system's total assets (growth rate in %)	2016	14.4	>10	>10	>10	>10	>10	>10	>10*				
	Number of banking institutions increased	2016	386	Increasing	Increasing	Increasing	Increasing	Increasing	558 or more	558 or more				
	Gross Regional Saving to GRDP ratio increased (%)	2015	22.1	Increasing	Increasing	Increasing	Increasing	Increasing	>30	>30*				

16

Leveling the Playing  
Field through a  
National Competition  
Policy



# Leveling the Playing Field through a National Competition Policy

This chapter highlights the importance of competition in regional and local development. Competition allows markets to perform better and promote higher productivity in a market-driven regional economy. It induces firms to produce goods and services efficiently, at the same time widen the goods and services available to consumers. True competitiveness is not whether firms operating in an economy are domestic or foreign owned, but lies on the nature and productivity of the firms' activities. In return, productive firms allow a nation to support high wages, strong currency and attractive returns to capital, thus resulting to high standard of living<sup>1</sup>.

In addressing competition at the regional level, it takes a two-pronged approach: enhancing the local competition environment and encouraging more players in the region and local markets. In turn, it will result to enhanced consumer welfare and efficient markets. Moreover, the Philippine Competition Act (RA 10667) reinforces the country's goal of inclusive economic growth. It is not only a national agenda but a regional and local priority which initially gain ground by increasing awareness on the benefits of adopting a local competitiveness culture.

## Assessment and Challenges

### Competition Environment

Being competitive essentially makes a country more appealing in terms of attracting and generating new investments. For the past five years, the Philippines has improved its global competitiveness ranking as cited in various global competitiveness reports such as the World Economic Forum's Global Competitiveness

Index, the World Bank-International Finance Corporation's Ease of doing Business Report, Transparency International's Corruption Perceptions Index, the Heritage Foundation's Economic Freedom Index and the Failed States Index and Logistics Performance Index. A report of the National Competitiveness Council indicates that, the Philippines that used to be ranked in the bottom 30 percent (except

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<sup>1</sup> Porter, Michael E. "Building the Microeconomic Foundations of Prosperity: Findings from the Business Competitiveness Index." In *The Global Competitiveness Report 2003-2004*, edited by Michael E. Porter, Klaus Schwab, and Xavier Sala-i-Martin, 29-56. Oxford University Press, 2004. *ons of Prosperity: Findings from the Business Competitiveness Index*, Harvard University

for the Gender Gap report) has improved and moved into the middle-third for most of the indices. However, the goal of achieving the top-third of world tables remains a challenge that is not only a concern at the national level but also at the subnational level.

For the period 2011-2015, the competitiveness agenda was expounded at the subnational level, through the creation of Regional Competitiveness Council as a counterpart of the National Competitiveness Council. For Northern Mindanao, the regional competitiveness agenda was not taken separately, however, is mainstreamed into the functions and responsibilities of the Regional Development Council as the highest policy making body in the region<sup>2</sup>. The Regional Competitiveness Technical Working Group that composed of subgroups in investment promotion, export competitiveness and data generation was created per RDC-X Executive Committee Resolution No. 15 s. 2012 which main function is to ensure that competitiveness and its wide-range issues and concerns are mainstreamed as a policy agenda of the Regional Development Council.

Aside from formally adopting the competitiveness initiatives at the regional level, Northern Mindanao is also among the first regions wherein all cities and town centers proactively participated in the

annual competitiveness cities and municipalities' index survey that started in 2013<sup>3</sup>. As the annual CMCI progresses from 2013 until the present, various cities and municipalities have already garnered top ranking status. In 2015, the municipality of Mambajao in Camiguin province got the first place in the over-all most competitive 3rd-6th class municipality in the country. Moreover, consistently the city of Cagayan de Oro is among the top 10 most competitive highly urbanized cities in the country, while the municipality of Calamba in Misamis Occidental that garnered the 3<sup>rd</sup> place most competitive municipality for the 3<sup>rd</sup> and 6<sup>th</sup> class municipality category and Jimenez, Misamis Occidental ranked 5<sup>th</sup> in the same category in 2016.

Despite these achievements, the competition environment both at the national and subnational levels remains weak. Improvements especially along goods market efficiency, technological readiness, institutional capacities, innovation, business sophistication and labor market efficiency are needed. At the regional level, economic dynamism<sup>4</sup> as one of the three pillars in assessing competitiveness of cities and municipalities in the Philippines got the lowest regional average score of only 6.63 points, infrastructure at 7.15 and government efficiency at 8.45 in the 2016 Cities and Municipalities Competitiveness Index. Although some cities and

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<sup>2</sup> RDC-X Executive Committee Resolution No. 8 s. 2012 "Mainstreaming National Competitiveness into the RDC-X Development Agenda" was approved on April 26, 2012.

<sup>3</sup> The annual CMCI ranks cities and municipalities according to three pillars (for 2013-2016): Economic Dynamism, Government Efficiency and Infrastructure

<sup>4</sup> The National Competitiveness Council (NCC) refer to economic dynamism as an index of the following indicators: local economy size and economy growth (proxy: business registration, capital, revenue and permits), capacity to generate employment, cost of living, cost of doing business, financial deepening, productivity and presence of business and professional organizations.

municipalities scored fairly especially the highly urbanized cities in the region, component cities, as well as 3<sup>rd</sup> to 5<sup>th</sup> class municipalities need to improve their overall competitiveness score based on the CMCI.

The common challenge facing the local competition environment is its costly and overregulated local business environment. In a 2008 study conducted by the World Bank Group's Doing Business<sup>5</sup> in the Philippines, the following are the "doing business" challenges: a) competing objectives between regulation and opportunity for revenue generation among LGUs, b) weak linkages among national government agencies that affects the overall environment of regulation, c) personality-driven leadership that affects reform initiatives, and d) strong focus on local autonomy and lesser emphasis on collaboration.

## Market Players in the Regional Economy

With the current clamor to revive the growth in manufacturing in the Philippines, Northern Mindanao has a high stake in generating more private-driven investments in the region. Despite its glaring underemployment rate, the region has competitive advantages in terms of provision of existing international standard logistic support infrastructures. Moreover, the region also manifests a highly performing private sector wherein their investments drive regional growth. For example, in 2015, private construction

shared 8.2 percent in gross value added to the industry sector. Coupled with strong business initiatives, the region can level up with the standards which are at par with the ASEAN countries (refer to Chapter 9) especially among micro small and medium enterprises.

While the full implementation of the Philippine Competition Act helps ensure a level playing field among firms, however, there are some challenges especially its implementation at the local level. These include: a) achieving the right balance between firm level efficiency and market competition; b) ensuring that government-owned and controlled corporations compete on equal terms in the provision of goods and services; and c) ensuring appreciation at the local level where there are few market players and the understanding on the concept of competition is limited.

Some government actions inhibit the entry of market players especially at the local level. While some actions address important social objectives such as government-led job generation activities through local economic enterprises, it can create market distortions by limiting the entry and expansion of current players and by protecting vested interests. Prevalent practices at the local level include government provision of goods and services similar to those provided by private entities. Normally, government participation can be justified only if the private sector cannot provide the goods and services.

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<sup>5</sup> World Bank Group, 2008, *Doing Business in the Philippines 2008*, <http://www.doingbusiness.org/~media/WBG/DoingBusiness/Documents/Reforms/Case-Studies/Smart-Lessons/Subnational-CS-Philippines-2009.pdf>, Date Accessed: April 26, 2017

Natural barriers to competition include geographic fragmentation that limit the entry of players or allowing the creation of artificial markets. For example, the high

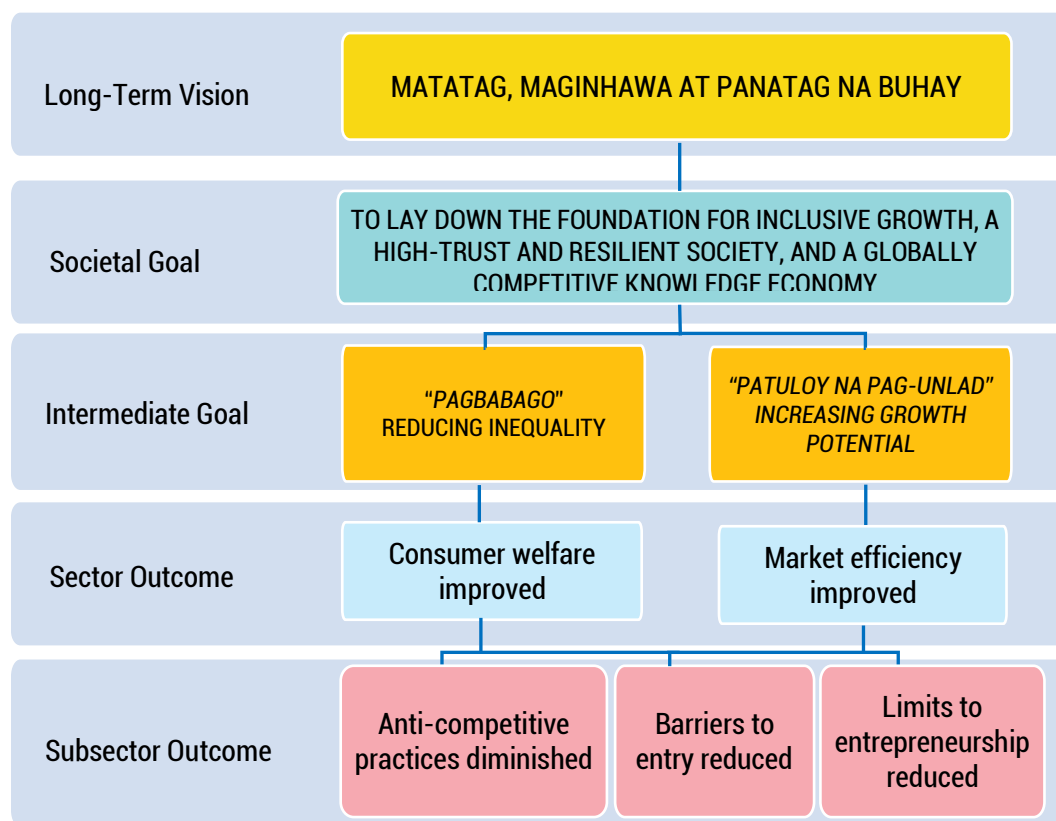
cost of electricity in the island of Camiguin is largely due to its high transmission cost from Misamis Oriental of the mainland Mindanao.

## Strategic Framework

The region shall adopt and support the implementation of the National Competition policy to improve consumer welfare and market efficiency. Effecting regional competitiveness addresses two societal goals: reducing inequality and increasing potential growth. Competition allows MSMEs to free entry and exit in the market, as well as reduce costs so that they can effectively participate in the market.

Moreover, it shall also facilitate the growth of more sophisticated products and services and promote efficiency which expands economic opportunities, increase productivity and promote economic growth. This shall be done through; s) diminishing anti-competitive practices; b) reducing barriers to entry; and c) reducing limits to entrepreneurship to allow micro, small and medium enterprises to thrive.

**Figure 16.1 Strategic framework for Leveling the Playing Field through a National Competition Policy**





The following are the strategies that shall be adopted at the regional level to achieve the desired outcomes.

### *Sector outcomes 1 and 2: Consumer Welfare Improved and Market Efficiency Improved*

**Strategy 1: Review potentially anti-competitive legislations and policies especially at the local level that may substantially prevent, restrict, or lessen competition.**

- Capacitate local development and legislative councils to be able to determine local legislations and policies that might discourage competition;
- Lobby for the expansion of scope of the Project Repeal to include key local government units in the region especially in highly urbanized cities; and
- Review existing laws such as Republic Act No. 7916 or the Special Economic Zone Act of 1995 that provides incentives and advantage to enterprises located in special economic zones.

**Strategy 2: Analyze competition issues in regional priority sectors**

- Review market competition in key input to production in agriculture and industry;
- Review government programs that distort market competition for land, small farmer's access to credit and ability to benefit from economies of scale.

- Conduct market studies to identify market competition issues in different industry subsectors and recommend measures to encourage market competition (*See also Chapters 9 and 10*);
- Prioritize competition in ancillary services especially telecommunications and power;
- Encourage academe and other research institutions to share research outputs to influence legislation and policymaking especially at the local level and support advocacy initiatives to make consumers, firms, and government agencies better understand the importance of market competition; and
- Formulate an operational mechanism in mainstreaming the competitiveness agenda at the regional and local level.

**Strategy 3: Promote competition-related policies and best practices**

- Encourage national and local government collaboration to foster and harmonize competitiveness policies and initiatives at different levels of governance; and
- Conduct competitiveness roadshows and regional competitiveness conference highlighting best practices of LGUs with top ranking status in the annual CMCI survey.

**Strategy 4: Promote endogenous development policies and adopt convergence approach to address natural barriers to competition especially in ancillary services for small island local economies and geographically isolated and depressed areas (GIDAs)**

- Explore rural community-based renewable sources of energy; and
- Collaborate with other municipalities with existing best practices in rural renewable sources of energy

## Legislative Agenda

Regulatory reforms shall be pursued to complement the national competition policy. At the regional level, the RDC-X shall support the enactment of the following legislation during the plan period.

1. *Amended Public Service Act.* Ease or lift restrictions on foreign investments in certain industries by amending or repealing provisions that limit foreign participation in certain economic activities.
2. *Regulatory Management System Act.* Support in pushing for the passage of a law on regulatory management system to establish a more competitive and coherent regulatory environment. Efforts shall be pursued to include a subnational component of the central body that will be created to ensure evidence-based approach in formulating laws, rules and regulations.

PART VI

# **FOUNDATIONS FOR SUSTAINABLE DEVELOPMENT**





17

Attaining Just  
and Lasting  
Peace



# Attaining Just and Lasting Peace

Regional economic development has been adversely affected with the presence of insurgent groups in the region and in its adjoining areas. The CPP-NPA-NDF has long been operating in the provinces of Bukidnon and Misamis Oriental while the MILF has been recruiting from the provinces of Bukidnon and Lanao del Norte. For years, the region has suffered the effects of failed peace agreements with the insurgent groups and its breakaway members due to unsatisfactory terms of past peace negotiations, which affected the public's confidence and trust in the government's resolve to address the insurgency problem. Moreover, with the increasing extortion activities of the insurgent groups, the public now doubts whether their intentions are still in line with their claimed cause and ideology.

The abovementioned issues must be addressed to achieve a cohesive, secure, and progressive nation. This can be attained thru the attainment of just and lasting peace, as well as thru ensuring national security, public order and safety. To attain just and lasting peace, which is the focus of this chapter, two (2) subsector outcomes were identified: the first aims to have peace agreements with all internal armed conflict groups successfully negotiated and implemented, while the second focuses on protecting and developing communities in conflict-affected and conflict-vulnerable communities.

## Assessment

### *Political settlement with the CPP-NPA-NDF (CNN)*

The presence of the CNN is heavily felt in Northern Mindanao, especially in the province of Bukidnon. For decades, the Armed Forces of the Philippines (AFP) has continually engaged the rebel group as the CNN tries to regain strongholds in the less accessible areas in the region. In the late 1990's, strongholds and camps of the CNN has been neutralized by the AFP with the opening of roads to formerly isolated areas. This allowed public services into the said

areas which led to the weakening of the CNN's influence in the communities.

The countryside development in Bukidnon brought about by expansion of both domestic and multi-national plantations, as well as relocation of poultry and livestock farms, reinvigorated the CNN's presence as new and more lucrative sources of income were made available through extortion money or revolutionary tax. In connection with their extortion activities, every now and then, the CNN establishes barricades, burns heavy equipment, and razes large

areas of plantations. Moreover, there are also reports of abduction.

The CNN-initiated violence averaged at 37 incidents per quarter but showed a declining trend from 2011-2015. Moreover, as of second quarter of 2015, the AFP 4<sup>th</sup> ID estimated the CNN manpower in its area of responsibility (covering Caraga and three provinces in Region X) at over 900 persons affecting 319 barangays. Until recently, peace negotiation with the CNN has been in an impasse since June 2011 due to its demand for release of their high-ranking officials that were detained, and which the Government could not grant, at the moment. Special track negotiations, amidst the impasse, continued with the Royal Norwegian Government (RNG) serving as the Third Party Facilitator. However, in February 2013, the NDF reverted to its preconditions under the Regular Track which included new unreasonable demands equivalent to government surrender—i.e., termination of the government's Conditional Cash Transfer (CCT), “*Payapa at Masaganang Pamayanan*” (PAMANA), and other peace and development programs, as well as the return to barracks of the AFP and the PNP forces. These were rejected by the GPH leading to the collapse of the Special Track.

The new administration of the GPH released in August 2016, 20 of the 22 high-ranking officials of the CNN that have long been imprisoned. Subsequently, the GPH declared a unilateral ceasefire with the CNN effective 12 midnight of August 21, 2016. According to the GPH, the duration of the ceasefire will last for as long as necessary to bring peace in the land and also in order to provide an enabling

environment for the success of the peace negotiations in Oslo, Norway which started last August 22, 2016. The CNN, likewise, responded with the announcement of a seven-day ceasefire as a sign of goodwill for the formal peace talks.

Since the imposition of the unilateral ceasefire, however, there are still observations of continued extortion and continued recruitment by the CNN, especially among Indigenous Peoples (IPs). The IPs are more vulnerable to the CNN recruitment because of their geographic locations which are situated in areas with limited access. In most of these IP areas, government services, as well as presence of the Non-Government Organizations (NGOs), cannot be felt. Moreover, there is still the continued struggle in securing tenure of ancestral lands/domain claims.

## ***Peace agreement with the Moro Islamic Liberation Front***

The Moro Islamic Liberation Front (MILF) has also made its presence felt as it recruited Higaonons and Maranaws (Indigenous Peoples) from the provinces of Bukidnon and Lanao del Norte. Moreover, the MILF was reported to have established training camps at the outskirts of Iligan City, near the Lanao del Sur boundary.

The last major uprising of the MILF which affected Northern Mindanao was last August 2008 which displaced about 50,000 people, and occurred a few days after the Supreme Court issued a temporary restraining order against the signing of the



Memorandum of Agreement on Ancestral Domain by the Philippine government and the Moro Islamic Liberation Front. During the last Congress, the Bangsamoro Basic Law (BBL) was deliberated but was not passed. Should the BBL be passed, it will affect not only the ARMM but almost all regions in Mindanao and the Palawan province, as the BBL may include areas outside the ARMM.

## *Addressing the culture of violence*

The culture of “rido” has always affected peace and order especially during elections. Election-related incidents had been increasing in the last three (3) successive elections: 11 in 2007, 13 in 2010, and 17 in 2013. During 2016 election, the two cities in Bukidnon and 13 of its 20 municipalities were included in the Election Watch List (EWA). For Lanao del Norte, its only city, Iligan, and 20 of its 22 municipalities were included in the EWA. The three cities of Misamis Occidental and six other municipalities were also included in the EWA, as well as one city and seven municipalities in Misamis Oriental.

## Challenges

### **1) The need to establish a positive environment to address the causes of armed struggles, for the implementation of the final peace agreement**

The difference to be resolved between the CPP-NPA-NDF and the democratic Government may involve the ideologies

advocated and propagated. However, both parties have once again initiated peace talks aimed towards achieving the final peace agreement which will end the armed conflict. After decades of armed conflict, the parties must have realized that resorting to arms cannot resolve differences. Creating a positive environment to finally end the armed conflict has become more challenging after decades of failed peace talks and ceasefire agreements which only increased the enmity and distrust between parties. Moreover, the positive environment must address the root causes that fueled the armed struggles, which were never totally addressed and/or resolved amidst past peace talks and agreements, such as, among others, security in land tenure, poverty, and absence of government services in the locality.

### **2) The need to restore public's confidence, trust, and support to the Peace Process**

The decades of armed conflict, and failed peace talks and ceasefire agreements, have affected the public's confidence and trust in the government's resolve to address the insurgency problem. Moreover, coupled with the increasing extortion, the public now doubts whether the intentions of the CPP-NPA-NDF are still in line with their claimed ideology or simply banditry.

To restore the public's confidence and trust, and broaden support to the Peace Process, the signing of the peace agreements is not enough. The people on the ground must feel the dividends of the peace process, otherwise it will not be sustainable. The public must experience development as a result of peace. Communities do not only

stagnate in terms of development but always retrogress when it is conflict-affected with internally displaced persons (IDPs). The challenge of attaining peace and ending conflict extends further to rehabilitating war-torn areas and bringing back economic activities to said areas.

Broadening the constituency to actively support the peace process entails enabling people empowerment and raising the capacity of the communities towards building a sense of responsibility and accountability among them. This requires focused, inclusive, and socially cohesive project management processes which oftentimes government mechanisms sorely lack. Thus, strengthening the capacity of LGUs, CSOs and non-state development partners on conflict-sensitive and peace promoting approaches is a priority consideration to be able to generate meaningful and effective convergence that will sustain the gains of the peace process.

### **3) The need to attain a meaningful convergence of key non-state actors in the peace process.**

The divisions and intra-group conflicts refer to the factions of the different armed rebel groups. Foremost, this is the long unresolved split within the MNLF and the perceived weakness in the effort to establish MNLF-MILF unity. Achieving the intra-Bangsamoro convergence is a crucial pre-requisite if an enabling law is to be brought before Congress.

Managing divisions and intra-group conflicts become an even more urgent concern in light of the need to prevent radicalism and violent extremism. These

conflicts are fueled by a growing discontent among disgruntled elements or former allies or members of the MILF and the MNLF. Moreover, a peace agreement between the GPH and any of the existing identified rebel/insurgent group may have the possibility of creating another insurgent group with different demands. The agreements in peace negotiations must, therefore, be inclusive not only to those demanding the terms but to the population or the nation as a whole.

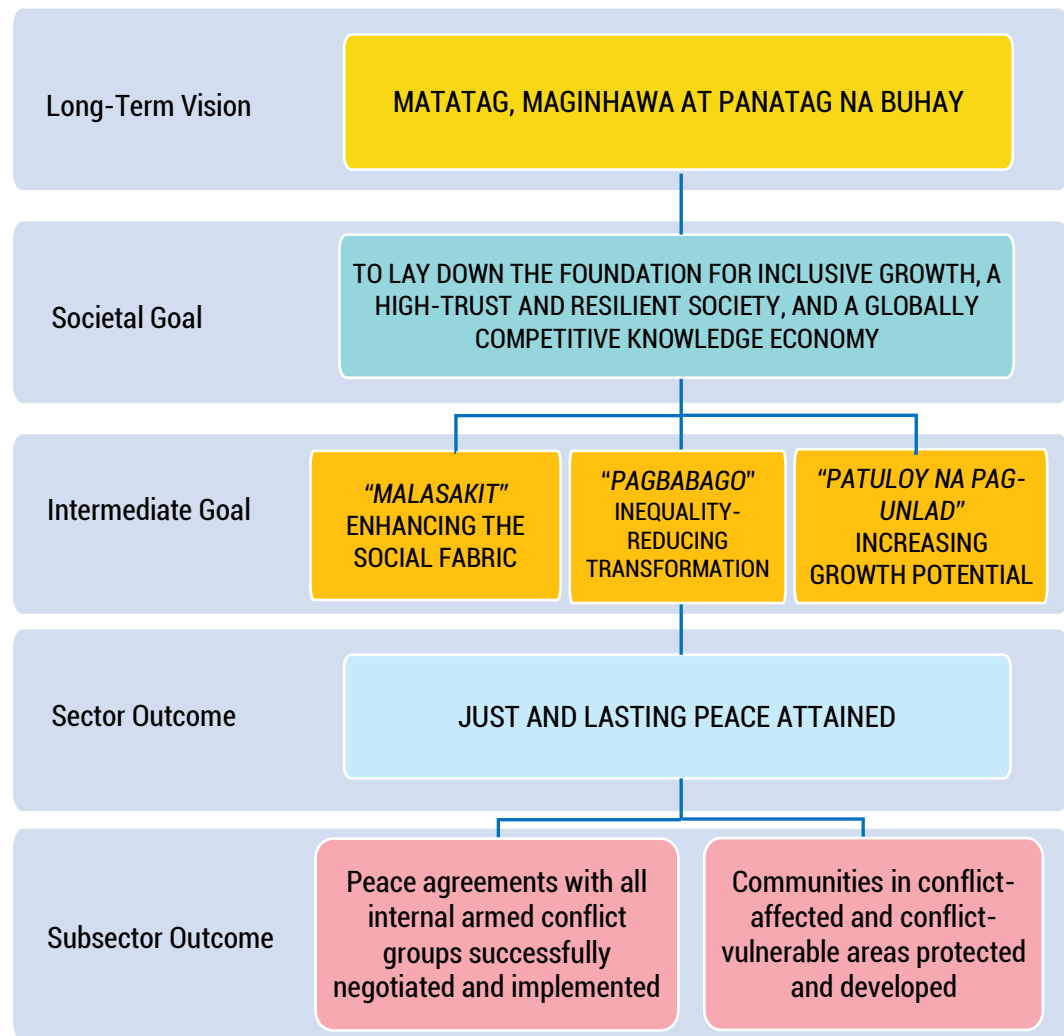
### **4) The need to legislate an enabling law that will ensure inclusivity, and continue dialogue and confidence building among all stakeholders.**

There are lingering doubts and mistrust felt by some sectors on the credibility of rebel fronts to govern that may impede the process of institutionalizing an enhanced Bangsamoro self-governance. Foremost, the BBL deliberated in the last Congress was bridled with issues on Constitutionality and inclusivity.

# Strategic Framework

“Attaining Just and Lasting Peace” aims to achieve a cohesive, secure and progressive nation. Two subsector outcomes are identified: the first aims to have peace agreements with all internal armed conflict groups successfully negotiated and implemented, while the second focuses on communities in conflict-affected and conflict-vulnerable areas protected and developed.

*Figure 17.1 Strategic framework for attaining just and lasting peace*



*Subsector outcome 1: Peace agreements with all internal armed conflict groups successfully negotiated and implemented*

**A. Accelerate the signing and implementation of peace accords with CPP-NPA-NDF (CNN).**

The GPH and the CNN resumed peace talks thru the mediation of the Royal Norwegian Government (RNG). Both parties agreed to accelerate the negotiation process towards signing of a final peace agreement within the term of the current administration. It is imperative that the high level of confidence between the two parties, as well as public interest and support are maintained.

The strategy shall entail engaging the CNN in an accelerated negotiations and related support processes towards the completion of the three remaining substantive agenda of the talks, namely: socioeconomic reforms; political and constitutional reforms (PCR); and end of hostilities and disposition of forces (EHDF). The final peace agreement with the CNN shall comprise the comprehensive agreements on these three reform areas and the Comprehensive Agreement on Respect for Human Rights and International Humanitarian Law. These strategies are based on the PDP, considering that peace agreements with the CNN and the grants of amnesty, should it be

required, can only be addressed by the President.

Amidst the recent events which rendered peace talks on hold, peace with the CNN shall remain to be sought. In addition, related support processes shall also be initiated in creating a favorable environment to keep the negotiations on track towards achieving the FPA. Parallel processes, such as internal advocacy on critical reform issues, strategic communications, and peace constituency building, shall be intensified to ensure inclusivity and transparency in the peace process. Moreover, enabling environment for the return of former combatants into the mainstream society shall be pursued and all existing endeavors shall be continued and improved.

**B. Implement a meaningful agreement with MILF towards healing in the Bangsamoro.**

The meaningful implementation of the Comprehensive Agreement on the Bangsamoro (CAB) towards healing of the Bangsamoro shall include the passage and ratification of an enabling law that is owned and advocated by all stakeholders and national constituency. Inclusivity will be ensured by providing platforms for participation of different sectors and groups. Concomitant to the passage of the enabling law will be the implementation of measures to ensure security, socioeconomic development, confidence-building,

and transitional justice and reconciliation. Along with these efforts, the GPH and MILF shall commit to the maintenance of the ceasefire agreement in conflict affected areas.

**C. Complete the implementation of the remaining commitments under the GPH-MNLF Final Peace Agreements (FPA).**

The GPH shall pursue the completion of its remaining commitments within an agreed timeframe under the MNLF Final Peace Agreement based on the result of the Tripartite Review Process (TRP). These deliverables include the: (a) establishment and operationalization of the Bangsamoro Development Assistance Fund; (b) creation and operationalization of the Tripartite Implementation Monitoring Committee; and (c) resolution of issues on co-management of strategic mineral resources. These strategies are based on the PDP, considering that peace agreements are formulated and agreed at the national level.

Moreover, convergence between the 1996 Final Peace Agreement (FPA) and the CAB shall be ensured in the Bangsamoro enabling law that will be crafted by incorporating the consensus points agreed upon by the GPH and the MNLF legal panels during the TRP. The participation of the MNLF in mechanisms created under the CAB, including but not

limited to, the Bangsamoro Transition Commission shall be ensured.

**Subsector Outcome 2:  
Communities in conflict-affected  
and conflict-vulnerable areas  
protected and developed.**

**A. Implement peace promoting catch-up socioeconomic development in conflict areas.**

The government shall focus on the implementation of a peace-promoting, catch-up socioeconomic development in conflict-affected and conflict-vulnerable areas, as well as on building a culture of peace and conflict-sensitivity. This requires support to and enhancement of the PAMANA Program of the OPAPP and the Bayanihan Team Activities of the AFP in conflict-affected and conflict-vulnerable areas.

The government shall address the issues of injustices, poverty, and the lack or absence of government services in the communities if lasting peace is to be attained. Community access to socioeconomic interventions, as well as governance, shall be improved by building the capacity of national government agencies (NGAs) and LGUs for a conflict-sensitive, peace-promoting, culture-sensitive and gender-sensitive approach to development.

The Joint DENR-OPAPP Memorandum Circular No. 2013-02: Implementing Guidelines on

Providing Employment Opportunities to Beneficiaries in Support of the Peace Process through the National Greening Program, Forest Protection and other Forestry-related Activities shall be strengthened and monitored.

**B. Empower communities by increasing their capacity to address conflicts and reduce their vulnerabilities.**

Adopting the strategies in the PDP, the communities shall be empowered and their capacities strengthened to address issues of conflict and peace. The negative impact of violent conflicts to communities shall be mitigated, if not prevented, by supporting structures and mechanisms that shall help them address the emergence of conflict and/or its escalation. These need the strengthening of local or traditional conflict resolution and management mechanisms to address local conflicts and establish formal and informal avenues for continuing dialogue and broad-based participation of peace stakeholders such as the peace and order councils, local development councils, and *Katarungang Pambarangay*. Appropriate systems and tools for conflict monitoring shall also be established. Local development plans shall be conflict-sensitive and include peace promoting approaches.

Mainstreaming of peace education programs and the promotion of a

culture of peace and non-violence shall also be pursued. The Total-School Approach to peace education shall be mainstreamed to promote peace and conflict sensitivity. Moreover, the integration of former combatants shall be addressed by focusing not only on their reconnection to mainstream society, but their total healing and reconciliation with their communities, including the provision of necessary support mechanisms.

**C. Strengthen government peace and development institutions to increase their responsiveness to peace, conflict, and security issues.**

Conflict sensitivity and peace promotion shall be mainstreamed in the work of NGAs, LGUs, and other government bodies such as the peace and order councils, local development councils and disaster risk reduction and management (DRRM) councils. Likewise, the United Nations Security Council Resolution 1325 and the National Action Plan on Women, Peace and Security shall be implemented to ensure the protection of women's rights in conflict situations and expand their role in the peace process.

The programs and initiatives of the government on various peace concerns resulting from internal armed conflict shall be harmonized and improved. These include

protection of children in armed conflict situations, implementation of human rights and international humanitarian laws, and interfaith and intercultural dialogue.

**D. Ensure government rationalization, coordination and monitoring in the delivery of socioeconomic programs and other interventions by donor institutions and government agencies in conflict affected areas.**

The government needs to re-assess its peace and development frameworks and determine the reasons why peace in Mindanao remained elusive. There may be a need to formulate a policy to limit the grounds that can be conceded to insurgents and a need to assess, prior to conceding such grounds, its impact to all the sectors of the society. Moreover, interventions by the CSOs must be assessed if it is in accordance with the government's policy. The approach to peace and development must be holistic and inclusive and must not only address the demands of the current armed groups.

## Legislative Agenda

### Legislating an inclusive Bangsamoro Basic Law

Enabling law that will pave the way for the meaningful implementation of the Framework Agreement on the Bangsamoro (FAB) and Comprehensive Agreement on the Bangsamoro (CAB) towards healing in the Bangsamoro, and completion of implementation of remaining commitments under the GPH-MNLF (Moro National Liberation Front) Peace Agreement. The legislation shall ensure that all stakeholders are justly considered; it shall address not only the rights but most especially the responsibilities of the Bangsamoro region. The legislation shall also ensure that the rights of all the constituents within the region shall be upheld at all times (i.e. separation of State and Church, equal protection, among others).

# Results Matrix

*Table 17.1 Results matrix for attaining just and lasting peace*

OBJECTIVES/ RESULTS	0 TO 10-PT. SOCIO- ECONOMIC AGENDA	SDG	INDICATOR	BASELINE		ANNUAL PLAN TARGETS						END- OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
Societal Goal: To lay down the foundation for inclusive growth, a high-trust and resilient society, and a globally competitive knowledge economy															
Intermediate Goal: Enhancing the social fabric, reducing inequality, and increasing growth potential															
Sector Outcome: Just and lasting peace															
Subsector Outcome 1: Peace agreements with all internal armed conflict groups successfully negotiated and implemented	Agenda 0	Goal 16	Peace agreements with the CNN and MILF signed <sup>1</sup>											OPAPP	
	Agenda 0	Goal 16	CNN and MILF transformed into legitimate socio- economic/ political groups <sup>2</sup>											OPAPP	

<sup>1</sup> Waiting for the update of OPAPP

<sup>2</sup> Waiting for the update of OPAPP



OBJECTIVES/ RESULTS	0 TO 10-PT. SOCIO- ECONOMIC AGENDA	SDG	INDICATOR	BASELINE		ANNUAL PLAN TARGETS						END- OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
	Agenda 0	Goal 16	Percentage of former combatants return to peaceful, productive, and normal lives <sup>3</sup>											OPAPP	
Subsector Outcome 2: Communities in conflict-affected and conflict-vulnerable areas protected and developed	Agenda 0	Goal 16	Internally displaced population due to armed conflict eliminated <sup>4</sup>									0		OCD/ DSWD/ LGU/ DILG (Monitoring only)	With the implementation of other interventions for the attainment of the outcomes for peace and development, IDPs shall be reduced, if not ended.
	Agenda 0	Goal 16	Percentage of IDPs rehabilitated and returned to their communities increased <sup>5</sup>									100%			
	Agenda 0	Goal 16	Number of conflict-affected barangays eliminated <sup>6</sup>									0		DND, 4ID and 1ID	

<sup>3</sup> Waiting for the update of OPAPP

<sup>4</sup> There is still no agency in-charge with the monitoring of IDPs. This will be discussed in the MacroCom and SDC

<sup>5</sup> There is still no agency in-charge with the monitoring of IDPs. This will be discussed in the MacroCom and SDC

<sup>6</sup> The AFP always aimed to resolve conflict affected areas with the year.

OBJECTIVES/ RESULTS	0 TO 10-PT. SOCIO- ECONOMIC AGENDA	SDG	INDICATOR	BASELINE		ANNUAL PLAN TARGETS						END- OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
	Agenda 0	Goal 16	Percent of local conflicts resolved through the use of local conflict resolution mechanisms increased <sup>7</sup>											OPAPP, DILG, AFP, LGU	
	Agenda 0	Goal 16	Percentage of LGUs identified as conflict-affected areas which have local development plans integrating conflict sensitive and peace promoting approaches increased									100%		DILG/ COSERAM	

<sup>7</sup> This will be discussed in the MacroCom to generate data on local conflict resolution

18

Ensuring Security,  
Public Order and  
Safety



# Ensuring Security, Public Order and Safety

The fight against crime, especially against illegal drugs as identified to be the major cause of crimes, is the forefront of the President's 0 to10 socio-economic agenda. Success in such campaign is expected to contribute greatly to political stability, and thus to the economic development, especially because it is strongly believed that the illegal drugs business is the main cause, not only of crimes, but also of corruption. Aside from curbing criminality, the region's developmental success would also depend on its resilience to natural and man-made disasters.

## Assessment

### *Curbing criminality and terrorism*

The region's increasing population and economic activities brought with it problems in criminality. The Average Monthly Crime Rate (AMCR) in the region is estimated at 66.1 crimes per 100,000 population in 2015. The AMCR is highest in Cagayan de Oro City, the regional center of the region, at 144 in 2015. This is twice more than Iligan City at 73.9 – the other highly urbanized city in the region. Among the provinces, Misamis Oriental recorded the highest AMCR at 67.0, while Camiguin recorded the least at 37.2.

The Philippine National Police (PNP) recently increased its hiring and training of new police officers to address the criminality in the region. Police to population ratio improved from 1:800 in 2010 to 1:640 in the first half of 2016. With more police coverage and visibility, AMCR

in the region dropped during the first half of 2016 to 41.3 crimes per 100,000 population. However, crime solution efficiency remained relatively low at 37.2 percent compared to the national standard in the 1980's at 60-70 percent, albeit a significant improvement from less than 10 percent in 2010.

The region also experienced terror attacks, albeit infrequent, through improvised explosive devices (IED). During the last planning period (2010-2015), four bombing incidents were reported, the worst was in a public transport vehicle where the IED exploded just minutes after it had picked up passengers from the Central Mindanao University in Maramag, Bukidnon in 2014. The incident resulted in the deaths of 11 persons and 43 injured. In May 2012 a grenade exploded in a popular rendezvous in Iligan City killing two people and injuring 36 others. Later in October, an IED exploded outside a hotel in Cagayan de Oro City killing two people and injuring two cops. In July 2013, another IED exploded at

Kyla's Bistro in Cagayan de Oro City killing 6 people. In all incidents, no motive was publicized and no group acknowledged the atrocities.

## *Fight against drugs and other crimes*

The Philippine Drug Enforcement Agency (PDEA) estimated that there are 3.7 million drug users in the country. Consultations with the local stakeholders validated the problem on drugs and there is a common sentiment that majority of the heinous crimes are related to drugs.

Based on the PNP data, the Operation TokHang conducted on July 1 – November 30, 2016 yielded 79,674 surrenderers, or 1.7 percent of the region's population, after having visited almost all houses in the region. It is reported that 5.4 percent of the surrenderers or 4,297, are drug pushers while the rest are users. There are, however, no classification as to the degree of users. Other than drugs, local consultations revealed problems on human trafficking and cybercrime, including child pornography, in the region. Based on the reports of the Inter-Agency Council Against Trafficking (IACAT), there were four cases prosecuted in the region for the period 2010 – September 2016, convicting eight persons or traffickers which were all sentenced with life imprisonment.

## *The region's exposure to disaster risks*

From the period October 2005 to December 2014, a total of 177,460 families, comprising 621,134 individuals were affected by 12 types of natural disasters in the region. Flash flood affected the most number of families constituting about 29 percent of the total number of families.

Since October 2005 to December 2014, a total of 1,348 deaths were recorded of which 1,233 were caused by flash flood, or 91 percent of the total number of lives lost in the region due to natural calamities. Flood with landslide, and flood with storm surge posted 32 and 23 fatalities, respectively. With the typhoon/storm/ cyclones which visited the region during the period covered – Tropical Storm (TS) Sendong (December 2011), Typhoon Pablo (December 2012); Typhoon Agaton (January 2014), and TS Seniang (December 2014) – a total of 6,039 persons were injured, and 169 missing. However, the major casualties were recorded during TS Sendong affecting the cities of Cagayan de Oro and Iligan of which there were 1,206 dead, 6,036 injured, and 162 missing.

**Table 18.1 Number of Affected Families and Persons and Number of Lives Lost by Type of Natural Disaster, Region X, October 2005–December 2014**

TYPE OF NATURAL DISASTER	NO. OF AFFECTED PERSONS	% DISTRI-BUTION	NO. OF LIVES LOST	% DISTRI-BUTION
Earthquake	1,152	0.13	-	-
Flash Flood	52,867	28.96	1,233	91.47
Flash Flood with Rain-induced Landslide	34,148	4.87	17	1.26
Flood	99,938	12.81	18	1.34
Flood with Storm Surge	227,170	25.99	23	1.71
Flood with Landslide	177,239	23.19	32	2.37
Heavy Rains and Strong Winds	60	0.04	2	0.15
Landslide	8	0.01	11	0.82
Lightning/Thunderstorm	-	0.00	4	0.30
Storm Surge	27,390	3.71	7	0.52
Strong Winds	799	0.11	1	0.07
Tornado	363	0.16		
<b>Total</b>	<b>621,134</b>	<b>100.00</b>	<b>1,348</b>	<b>100.00</b>

*Source of Data: OCD-X*

*Note: Regional data only. Not all types of disasters have data on number of affected persons.*

Man-made disaster, particularly fire, is also a felt problem in the region. Fire disasters, when not responded timely, cause economic disruptions and could adversely affect the economic standing of those affected. Moreover, the less privileged are usually the most vulnerable considering that their houses are usually made of light and combustible materials, and located in areas with no or limited fire department road access and access to fire hydrants.

In 2015, the Bureau of Fire Protection (BFP), Region X, responded to 945 fire calls in the region. To minimize damage in every fire disaster, it must be responded within 5 – 7 minutes. However, only 82.53 percent of the responded fire calls were within 7 minutes. This is because there are still municipalities in the region that do not have their own fire stations.

## Challenges

### 1. The need to intensify campaign against crime and illegal drugs

Goal 16 of the Sustainable Development Goals (SDGs) is to promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels. The first target under the said goal is to significantly

reduce all forms of violence and related death rates everywhere. The challenge then is how to reduce significantly crime rates across the region amidst a growing population.

### 2. Low public trust and confidence

Community involvement is required if the fight against crime is to be won. However,

the involvement of the public depends greatly on their trust and confidence on the peace officers and the institution.

Improving public trust and confidence also requires improving not only law enforcement but all pillars of the criminal justice system.

### **3. The need to regain respect, integrity and high morale of peace officers and strengthen internal affairs**

The morale and respect for peace officers is concomitant to public trust and confidence. To regain respect, integrity and high morale of peace enforcers, the PNP needs to be modernized both in human resource and technological capacity. A gauge for police effectiveness, other than crime solution efficiency, is the response time to crimes. Singapore and Hong Kong (China SAR), whose areas are much denser than the Philippines, have response times of three minutes and two minutes respectively. The region, based on PNP data, has an average response time of five minutes.

Public trust and confidence is also very much affected by the discipline and conduct of peace officers. With reports that peace officers may have been involved in controversies, law enforcement agencies need to strengthen their internal affairs to ensure that peace officers will not abuse the authority bestowed upon them.

### **4. The need to reduce crime rates and eradicate drug-related crimes**

Local stakeholders contended that the war against crime and illegal drugs must be carried out in a holistic manner.

While there is fervor in penalizing offenders, the rehabilitation of the offenders is an uphill climb due to government's limited resources. In addition, the region lack rehabilitation centers for drug abusers and has insufficient prison capacity for criminal offenders. In the regional center, for instance, Cagayan de Oro City jail is designed for 300 inmates but currently has 1,938 occupants.

### **5. Weak mechanisms to address human rights violations and delayed prosecution of violators.**

The fight against crime must be coupled with the observance and protection of human rights at all times. The Bill of Rights enshrined in the Constitution (i.e. protection of life, liberty and property and the equal protection of the law) must always be upheld not only because they are inherent rights of every human being but also because they are among the cornerstones of democracy and human development. The modernization of the peace officers, both in personnel and equipment, must be extended to the extent that peace officers will not have to set aside human rights just to effectively fight crime.

Addressing human trafficking is also among the challenges on human rights violations. In the last decade, the Inter-Agency Council Against Trafficking (IACAT) recorded nine (9) convictions in the region involving human trafficking. However, there still remain unresolved reported kidnappings that may be attributed to human trafficking.



Protecting the rights of children in conflict with the law (CICL) also remains a challenge for the region. RA 9344 provides, under Section 21 – the procedure for taking the child into custody, that children in conflict with the law shall not be locked up in a detention cell. However, with incidents of street children with no known relatives committing crimes, and with Youth Detention Homes and Youth Rehabilitation Centers operating beyond capacity, there will always be instances where CICL will be not properly handled.

#### **6. Limited capability to respond to disaster and the need to ensure disaster-resilient communities**

With the impact of climate change already felt through the increased incidence of typhoons, the region is faced with many challenges relative to natural disasters. The main challenge then is how to mitigate, if not eradicate, the detrimental effects of natural disasters, especially in flood-prone settlements.

The LGUs have limited capacity in disaster response. No-build zones need to be delineated and enforced. Temporary relocation sites need to be established in safer areas. Moreover, where disaster-prone areas are already inhabited, local disaster management plans need to include mitigation measures and/or possible resettlement plan.

#### **7. The need to reduce fire disaster and its damage**

The BFP may have intensified their inspections of establishments in 2015 such that they have inspected more establishments than what is provided in the Business Permits and Licensing Office (BPLO). Moreover, the BFP reports showed that over 99 percent of fire incidents in the region comprised the buildings without issued Fire Safety Inspection Certificate (FSIC). Reportedly, not all of these fire disasters were responded within the ideal time of 7 minutes. Other than the conditions of traffic and access, there are still municipalities in the region with no fire station. Moreover, the BFP-X only has two units of ambulance and one rescue van. Multiple fire calls will thus result in situations where only firetrucks are sent without ambulance and rescue support.

#### **8. Weak capacity to build back better**

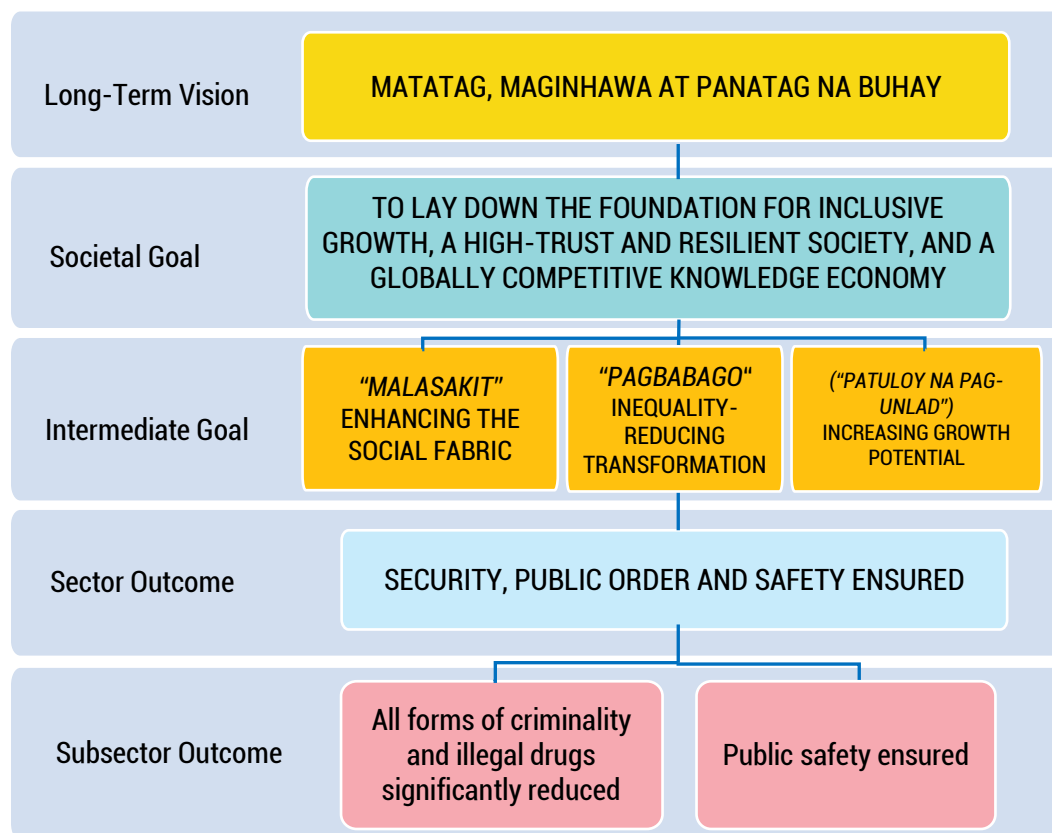
Another challenge is the need to improve the region's capacity to rebuild the damages caused by natural disasters. Based on the region's experience on Typhoon Sendong, many infrastructure, especially local bridges, took years to rebuild. It hindered the delivery of basic services, as well as economic activities, to areas that relied on the damaged bridges for access while such bridges have not yet been rebuilt. Rebuilding efforts, in the interest of building back better, however, must not be treated solely as the government's responsibility.

## Strategic Framework

“Ensuring National Security, Public Order and Safety” aims to achieve a cohesive, secure and progressive nation. Of the four subsector outcomes identified at the

national level, two subsector outcomes apply in the region: 1) all criminality and illegal drugs significantly reduced, and 2) public safety ensured.

*Figure 18.1 Strategic framework for ensuring security, public order and safety*



Legislative action shall also be required to attain the abovementioned outcomes. To significantly reduce all forms of criminality and illegal drugs, legislation is needed to modernize the law enforcement agencies which shall include the imposition of a system to rid the agencies of corruption in all levels. Moreover, amendments may be required in the existing illegal drugs related laws. To ensure public safety, agencies such as the BFP, OCD, and all agencies involved in disaster response and disaster risk

reduction and management shall also be modernized through legislation. The Disaster Risk Reduction and Management Act also needs to be amended.

*Subsector outcome 1: All forms of criminality and illegal drugs significantly reduced through intensified law enforcement operations and strengthened collaboration among national agencies, LGUs and community.*

The thrust of the new administration is to eradicate crime. In support to this, the region needs to reduce index crimes by 75 percent to at least attain the goal of eradicating drug-related crimes. The strategies required to attain the target may require a more comprehensive and interdisciplinary approach than its current simplistic approach of merely physically eradicating drug lords, pushers and users. Moreover, the physical infrastructure of the localities may have to be improved to make it less conducive to the selling and use of illegal drugs.

Moreover, citizens shall be educated and empowered of their rights and the procedures to demand and enforce them so that human rights violations can be prevented.

Military support, against criminality, trafficking, and terrorism shall be provided. Police presence and visibility, intelligence and detection and investigation services, and operational readiness will greatly prevent, and thus reduce, all forms of criminality. The government shall forge police-community partnerships and strengthen crime prevention and suppression efforts by promoting community information and education, as well as harnessing the support of the community through organization and mobilization against criminality and

lawlessness with the community groups acting as force multipliers. The government shall pursue programs on counter radicalization of youth, so as to prevent and deter recruitment that sow violence and terrorism. The capability of police, coastguard, military, and other law enforcers shall be enhanced to address the internal security threats by local and transnational terrorists and criminal groups including the new and emerging threats of cybersecurity. The integrity of the law enforcement agencies must be revitalized through the elimination of corrupt officers within its ranks in order to make the agencies' efforts against all forms of criminality and illegal drugs effective.

The national anti-illegal drug strategy shall include the suppression of the flow of illegal drugs supply through sustained police operations, and reducing consumer demand for drugs and other substance through rehabilitation and massive preventive education and awareness programs. Arrest and prosecution of law enforcers involved in the use and trade of illegal drugs through counter-intelligence operations are critical parts of the strategy. The government shall also employ an effective investigation, prosecution, and monitoring of drug cases.

The campaign plan Double Barrel of the PNP, as provided in the PDP, is a two-pronged approach under the strategy to combat illegal drugs. This is in coordination with the Local Government Units (LGUs), Anti-Drug Abuse Councils, Non-government Organizations, stakeholders, and other law enforcement agencies. The first approach involves house-to-house visitations to persuade

suspected illegal drug personalities to stop their illegal drug activities. The second approach involves massive and reinvigorated law enforcement operations against illegal drug personalities and syndicates.

The DILG's *Mamamayan Ayaw Sa Anomalya- Mamamayan Ayaw Sa Illegal na Droga (MASA-MASID)*, as provided in the PDP, is the government's platform for stronger LGU-community-national government collaboration in its fight against criminality, corruption, and illegal drugs. This institutionalizes volunteerism at the community level to intensify the advocacy and education campaign and to create an enabling environment that will encourage collaboration among the community partners to effectively implement the community-based rehabilitation program. Mechanisms to validate information shall be put in place to ensure integrity of the campaign.

Complementary to the above strategies is the Philippine Drug Enforcement Agency's Campaign Plan Bandila which highlights the strategies and mechanisms to address the drug problem in the next six years. The implementation of Barangay Drug Clearing Program, a multi-stakeholder strategy to clear the barangay of illegal drug activities and personalities shall be pursued in partnership with the local enforcement officers and barangay forces. The operation shall determine the presence of illegal drug activities and provide the illegal drug users with treatment, rehabilitation, skills training, and support for their reintegration to the society.

The Inter-Agency Council Against Trafficking (IACAT) and its member agencies shall sustain and further strengthen their anti-trafficking in persons enforcement, including detection, rescues, investigations, prosecutions and asset forfeitures, as well as support services for victim-survivors. For this purpose, the government at all levels shall provide the necessary policies, resources, capacity building, and public information.

### *Subsector outcome 2: Public safety ensured through higher professional standards for public safety organizations.*

To ensure the safety of the communities, the government commits to develop responsive, highly professional, and competent public safety organizations. Police visibility through regular patrols and 24-hour police substation availability shall continue to be the backbone of policing and the avenue for establishing and maintaining police presence at the barangay and city street level. The PNP interventions, which will all be done in partnership with the community, shall include strategically placed checkpoints, foot and mobile patrols, and focused and intelligence-driven operations against most wanted persons and members of criminal gangs. The establishment of an emergency hotline and promotion of social media platforms for crime and emergency reporting to effectively respond to crimes and emergencies, shall be pursued.

The trust and confidence of the general public to the law enforcers are critical elements of achieving a peaceful society. To attain this, peace officers and law

implementing agencies or authorities must eradicate corruption at all levels. Moreover, the PNP shall improve the crime solution efficiency and eradicate private armed groups. To facilitate responses to crime reports, the PNP shall improve its police visibility, which further requires them to attain at least a police to population ratio of 1:500.

The service capability of fire protection and other public safety and security agencies (i.e. OCD, regional and local DRRMOs) shall be fully enhanced. This is to ensure the protection of people's properties and lives, as well as vital and critical infrastructure, against man-made and natural disasters. The capability of agencies for humanitarian assistance and disaster response shall be enhanced so that communities' capacity to rebuild shall be improved. The AFP's and the PNP's competencies to disaster response shall also be enhanced as they continue to act as first responders in any disaster.

The local DRRM plans shall include household level interventions so that each household composing the community can strategize on how to mitigate the detrimental effects of disasters and recover from such effects.

The government shall ensure that all law enforcement and military operations comply and enforce all the requirements set by the international and domestic human rights standards to provide safeguards

against possible human rights violations, especially in conflict and disaster situations. The Commission on Human Rights shall intensify the monitoring of the compliance to human rights standards in the formulation of policies, operational manuals, and in the actual operations of law enforcement agencies.

The formulation and adoption of the Peace-Building and Development Framework (PBDF) and Peace-Building and Development Agenda (PBDA) shall institutionalize a mutually-agreed framework and agenda for peace and development. These shall serve as a vital reference to unify understanding, synchronize efforts and consolidate resources in the planning and implementation of interventions not only in conflict-affected communities but also in other areas in the region.

The conduct of the Peace and Conflict Analysis for the five provinces and two highly urbanized cities in the region shall serve as inputs to the PBDF and PBDA. Likewise, the formulation of the Provincial Peace and Order and Public Safety (POPS) plans shall be pursued to provide the peace and order councils with a planning instrument that guides concerted actions on public safety and security.

The Peace and Order Councils shall be strengthened to improve the capacities on performing mandated functions.

# Legislative Agenda

## **1. Amendment of the Comprehensive Dangerous Act of 2002**

The possible amendments shall include a more comprehensive, holistic or interdisciplinary approach in dealing with the drug problem. These shall likewise include treatment, rehabilitation, and skills training to drug surrenderers and support for their reintegration to the society.

## **2. Modernization of the Bureau of Fire Protection**

The modernization of the Bureau of Fire Protection is critical to ensure that its capacity can cope with the increasing demand for improved services. As some cities experience rapid urbanization, the BFP shall have modern equipment and highly-trained fire officers to ensure responsive services and public safety.

## **3. Amendments to RA 10121**

The review and updating process shall cover: 1) strengthening the DRRM organization by providing sufficient powers to perform its mandate; 2) improve guidelines on the access to and use of DRRM funds; and 3) ensuring that the law is fully enforced at the local level.

# Results Matrix

*Table 18.2 Results matrix for ensuring security, public order and safety*

OBJECTIVES/ RESULTS	0 TO 10-PT. SOCIO- ECONOMIC AGENDA	SDG	INDICATOR	BASELINE		ANNUAL PLAN TARGETS						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS	
				YEAR	VALUE	2017	2018	2019	2020	2021	2022					
Societal Goal: To lay down the foundation for inclusive growth, a high-trust and resilient society, and a globally competitive knowledge economy																
Intermediate Goal: Enhancing the social fabric, reducing inequality, and increasing growth potential																
Sector Outcome: Security, public order and safety ensured																
Subsector Outcome 1: All forms of criminality and illegal drugs significantly reduced	Agenda 0		Average Monthly Crime Rate reduced	2015	63.79	56.96	50.13	43.3	36.47	29.64	22.81	22.81	CIRAS blotter	E-	PNP	Economic stability of the region
	Agenda 0		Crime solution efficiency increased	2015	25.86	28.59	31.32	34.05	36.78	39.51	42.24	42.24	CIRAS CMAS	and	PNP	
	Agenda 0		Crime response time improved	2015	5.01 (min)	4.67	4.5	4.3	4	3.5	3.3	3.3			PNP	Based on the traffic and road conditions of the area to be responded.

OBJECTIVES/ RESULTS	0 TO 10-PT. SOCIO- ECONOMIC AGENDA	SDG	INDICATOR	BASELINE		ANNUAL PLAN TARGETS						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
	Agenda 0	Goal 16	Number of victims of human trafficking reduced <sup>1</sup>												
	Agenda 0	Goal 16	Number of children in conflict with the law reduced <sup>2</sup>												
	Agenda 0	Goal 16	Percentage of Functional LCPCs (to total) increased	2015	82%	85%	86%	87%	88%	89%	90%	90%		DILG, LGUs	
	Agenda 0	Goal 16	Percentage of Functional BCPCs (to total) increased	2015	90%	91%	92%	93%	94%	95%	95%	95%		DILG, LGUs	
Subsector Outcome 2: Public safety ensured															
Subsector Outcome 2: Public safety ensured	Agenda 0		Police to population ratio improved	2015	1:673	1:580	1:560	1:540	1:520	1:500	1:490	1:490	Report from RPHRDD	PNP	Depends on the quota

<sup>1</sup>The only data available on human trafficking are those published by the IACAT and is based only on those prosecuted. This will be discussed in the MacroCom

<sup>2</sup> There is still no regular data on CICL. This will be discussed in the MacroCom



OBJECTIVES/ RESULTS	0 TO 10-PT. SOCIO- ECONOMIC AGENDA	SDG	INDICATOR	BASELINE		ANNUAL PLAN TARGETS						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
	Agenda 0	Goals 9, 11	Percentage of fire, rescue and emergency calls responded within seven (7) minutes increased	2015	82%	84%	85%	86%	87%	88%	90%	90%	Physical Performance Report	BFP	
	Agenda 0	Goals 9, 11	100% of buildings and establishments inspected against total no. of BPLO-registered establishments	2015	100%	100%	100%	100%	100%	100%	100%	100%	Physical Performance Report	BFP	
	Agenda 0	Goals 9, 11	Fireman to population ratio improved	2016	1:5,324							1:2,000	Physical Performance Report	BFP	Depends on LGU to initiate; needs LGU to donate lot for fire station
	Agenda 0	Goals 9, 11	Municipalities without firetrucks/ fire stations reduced	2016	24							0	Physical Performance Report	BFP	Depends on LGU to initiate; needs LGU to donate lot for fire station

OBJECTIVES/ RESULTS	0 TO 10-PT. SOCIO- ECONOMIC AGENDA	SDG	INDICATOR	BASELINE		ANNUAL PLAN TARGETS						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
	Agenda 0	Goals 9, 11	Damages due to fire reduced (below 0.1% of GRDP) <sup>3</sup> in PHP million			5.15	5.15	5.15	5.15	5.15	5.15	5.15	Physical Performance Report	BFP	

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<sup>3</sup> Baseline data to be provided by BFP

# 19

Accelerating  
Infrastructure  
Development



# Accelerating Infrastructure Development

Infrastructure development is crucial in the achievement of inclusive and sustainable economic growth. Envisioning the medium-term growth trajectory of the region's economy to surpass the gains of the last five years, infrastructure investments have become more crucial considering the increasing requirements of the population and providing the necessary support facilities for the emerging growth centers in the region. Reducing human inequalities, bridging the infrastructure gaps, particularly at the local level, and establishing an efficient, responsive, safe, and ecological-friendly built environment are the major challenges of the sector. Infrastructure development therefore, shall be intensified alongside with the implementation of necessary policy reforms and improving governance at all levels to ensure efficient and effective implementation and timely completion of programs and projects.

## Assessment

### Transport

The performance of the transport subsector for the period 2011-2016 was remarkable with the completion of major infrastructure projects supportive to the role of the region as the gateway to Mindanao and transshipment hub and venue for industrial ventures. Transport contributed to the growth of the construction GVA (at constant 2000 prices) at an average of 18.5 percent for the period 2013-2015.

As part of the DRR/CCA strategy to improve the resilience of the transport subsector, alternate roads and bridges have been constructed. The reconstruction of damaged roads and bridges underwent the process of climate proofing during the project design and implementation within the principle of building back better.

The three important elements considered in transport infrastructure development are connectivity, mobility and safety.

**Road-based transport.** All-paved national highways connect the various regional growth centers and the four strategic development areas (SDAs). Connectivity is one of the comparative advantages of the region considering its geographical linkage to key growth areas within the region, and with the other regions in Mindanao.

The region's connectivity facilitated the gains in trade and services sectors, and other economic activities. This resulted to intra and inter-regional efficiency of the movement of people, goods and services.

The region's road system totaled to 21,070.81 kilometers composed of 91 percent (19,095 km) is classified as local roads and nine percent (1,976 km) national roads. About 80 percent of the national roads are paved, however, about 90 percent of the local roads located mostly in the provinces of Bukidnon, Lanao del Norte and Misamis Oriental are still unpaved. The pavement of national roads were affected by

the delayed project implementation and the reclassification of the 219 kilometers local roads into national roads.

As of December 2015, the total length of bridges along the national road network of the region is about 16,800 linear meters, 99.46 percent of which are permanent bridges.

**Table 19.1 Roads and Bridges Length Inventory (in kilometers), Region X, as of December 2015**

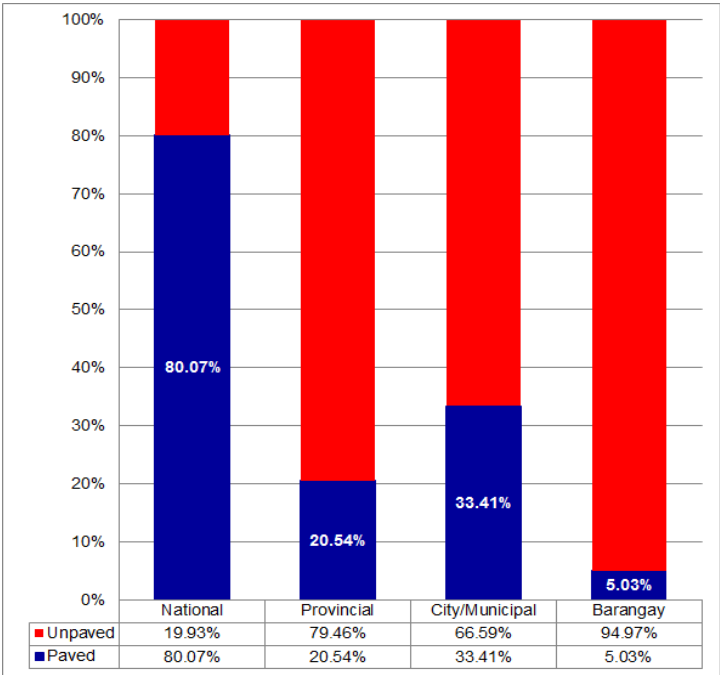
PROVINCE/CITY	NATIONAL (KM)			LOCAL ROADS (KM)	TOTAL	LAND AREA (SQ. KM.)	ROAD DENSITY (KM./ 100 SQ. KM.)
	ROADS	BRIDGES	TOTAL				
Bukidnon	801.96	4.38	806.34	7,158.56	7,964.90	10,498.59	75.87
Camiguin	64.16	0.61	64.77	278.40	343.17	291.87	117.58
Lanao del Norte*	468.68	3.01	471.69	5,235.90	5,707.59	3,824.79	149.23
Misamis Occidental	234.90	2.52	237.42	1,679.10	1,916.52	2,055.22	93.25
Misamis Oriental**	307.11	4.72	311.83	4,040.76	4,352.59	3,102.90	140.27
Cagayan de Oro	82.35	1.56	83.91	702.14	786.05	412.8	190.42
<b>Total</b>	<b>1,959.16</b>	<b>16.8</b>	<b>1,975.96</b>	<b>19,094.85</b>	<b>21,070.81</b>	<b>20,186.17</b>	<b>104.38</b>

Source: DPWH, LGUs

\* including Iligan City

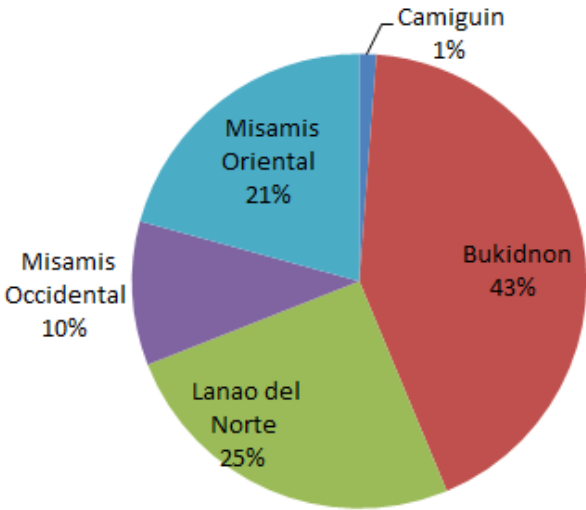
\*\* excluding Cagayan de Oro City

Figure 19.1 Road Inventory (in percent), by Type, Region X, As of December 2015



Source of basic data: DPWH-X

Figure 19.2 Unpaved Local Roads, by Province, Region X, 2015



Total Unpaved Local Roads = 17,669.701 km

Region X's road density<sup>1</sup> is at 104.38 km. of roads per 100 sq. km. of the region's land area which is above the national standard of 100 km. per 100 sq. km. land area.

As of December 2015, a total of 429 farm-to-market road (FMR) projects were

completed with a total length of 507.19 kilometers. This is 51 percent accomplishment based on end of plan target of 987 kilometers. Ongoing FMR projects have a total length of 152.36 km amounting to PHP1.450 billion.

**Table 19.2 Farm-to-Market Roads, by Province, Region X, as of December 2015**

PROVINCE	COMPLETED			ON-GOING		
	NO. OF PROJECTS	LENGTH (KM)	COST (PHP MILLION)	NO. OF PROJECTS	LENGTH (KM)	COST (PHP MILLION )
Bukidnon	98	84.10	259.31	78	47.76	397.95
Camiguin	39	18.44	88.45	24	8.64	81.46
Lanao Norte	46	83.44	265.41	38	37.72	337.94
Misamis Occidental	121	183.20	471.90	35	21.86	285.65
Misamis Oriental	125	138.01	620.19	47	36.38	347.64
<b>Total</b>	<b>429</b>	<b>507.19</b>	<b>1,705.26</b>	<b>222</b>	<b>152.36</b>	<b>1,450.64</b>

Source: DA

The low accomplishment particularly in the utilization of project funds for the FMR is due to technical difficulties of the LGUs in the preparation of Program of Works (POW) and Detailed Engineering Design, and the non-liquidation of previous fund releases.

During the plan period, purposive implementation of tourism road projects was undertaken to improve access and connectivity. As of December 2015, there are 11 ongoing road projects out of the 36 projects programmed up to 2016 as shown in Table 19.3.

<sup>1</sup> Road density is the ratio of the length of the country's total road network to the country's land area.



*Table 19.3 Tourism Road Projects, Region X, as of December 2015*

PROJECT NAME	ROAD LENGTH (KM)	TOTAL COST (PHP '000)	% ACCOMPLISHMENT (BASED ON TOTAL COST)
Upgrading of road leading to Bible Camp and various beaches, Barra, Opol, Misamis Oriental	2.70	82,000	63.41
Access road leading to Dahilayan Adventure Park, Manolo Fortich, Bukidnon	21.78	420,000	23.81
Cross Country Road from Mainit to Mambajao, Camiguin	8.23	230,500	82.65
Upgrading of access road leading to Soda Water Spring, Catarman, Camiguin	4.18	90,000	44.44
Construction of access road to Dao Heritage Tree and Mapawa Nature Part in Malasag	3.44	73,000	79.45
Construction/improvement of access road leading to Sagpulon Waterfalls, Jasaan, Misamis Oriental	8.55	138,060	76.05
Construction/improvement of access roads leading to Ozamiz-Clarin-Tangub-Bonifacio-Don Victoriano Agro-Eco Tourism Hinterland	10.20	204,040	32.56
Ozamiz-Clarin-Tangub-Bonifacio-Don Victoriano Agro-Eco Tourism Hinterland	10.85	217,060	5.65
Improvement/rehabilitation of Tangub City-Cabangcalan-Manga-Bongabong Road leading to watershed park, Tangub City	8.20	150,000	42.43
Road leading to Mahanggub, Lubilan and Talabaan Falls, Naawan, Misamis Oriental	16.35	330,000	66.97
Road from Banglay, Tangub City to Brgy. Bala, Ozamiz City	11.50	180,000	44.44

*Sources: DPWH-X and DOT-X*

The 2015 annual registration of motor vehicles improved by 5.30 percent compared to 2014, an additional 10,600 units to the total number of motor vehicles registered. This was attributed to the 21.81 percent increase in the registration of new private vehicles. Private vehicles constituted about 91 percent of the total motor vehicles registered. Only about seven percent of the total motor vehicles registered are for hire.

**Air transport.** Inter-regional connectivity further improved through the continuing operationalization of three domestic

airports in the region located in Laguindingan, Misamis Oriental, Ozamiz City and Mambajao, Camiguin. This led to an increase in commercial flight operations by 3.88 percent in 2015 compared in 2014. Mobility of people was facilitated that led to an 8.20 percent increase in the total number of passengers from 1.84 million in 2014 to two million in 2015.

One of the major achievements during the previous plan period is the commercial operation of the Laguindingan Airport in June 2013. The completion of the Air

Navigation System and Support Facilities in March 2015 ensures safety to night flight operations.

As of 2015, a total of 1.7 million passengers were registered in the Laguindingan Airport, exceeding its design capacity of 1.6 million passengers. The volume of cargoes significantly improved by 13.10 percent from 5.88 million metric tons in 2014 to 6.654 million metric tons in 2015.

**Table 19.4 Commercial Air Traffic, Region X, 2014 and 2015**

INDICATOR	LAGUINDINGAN		%	OZAMIZ		%	CAMIGUIN		%	TOTAL		%
	2014	2015	CH AN GE	2014	2015	CH AN GE	2014	2015	CH AN GE	2014	2015	CH AN GE
<b>INCOMING</b>												
<b>Flights (No.)</b>	6,586	6,912	4.95	1,218	1,137	-6.65	497	436	-12.27	8,301	8,485	2.22
<b>Passengers (No.)</b>	767,503	851,664	10.97	131,155	116,714	-11.01	13,442	17,043	26.79	912,100	985,421	8.04
<b>Cargoes (Kgs.)</b>	10,554,006	11,040,365	4.61	2,478,769	2,346,632	-5.33	-	-		13,032,775	13,386,997	2.72
<b>OUTGOING</b>												
<b>Flights (No.)</b>	6,586	6,910	4.92	1,218	1,137	-6.65	214	420	96.26	8,018	8,467	5.60
<b>Passengers (No.)</b>	797,218	870,751	9.22	133,277	128,863	-3.31	6,604	15,796	139.19	937,099	1,015,410	8.36
<b>Cargoes (Kgs.)</b>	10,389,841	13,441,566	29.37	1,993,873	2,418,700	21.31	-	-		12,383,714	15,860,266	28.07
<b>TOTAL</b>												
<b>Flights (No.)</b>	13,172	13,822	4.93	2,436	2,274	-6.65	711	856	20.39	16,319	16,952	3.88
<b>Passengers (No.)</b>	1,564,721	1,722,415	10.08	264,432	245,577	-7.13	20,046	32,839	63.82	1,849,199	2,000,831	8.20
<b>Cargoes (Kgs.)</b>	20,943,847	24,481,931	16.89	4,472,642	4,765,332	6.54				25,416,489	29,247,263	15.07

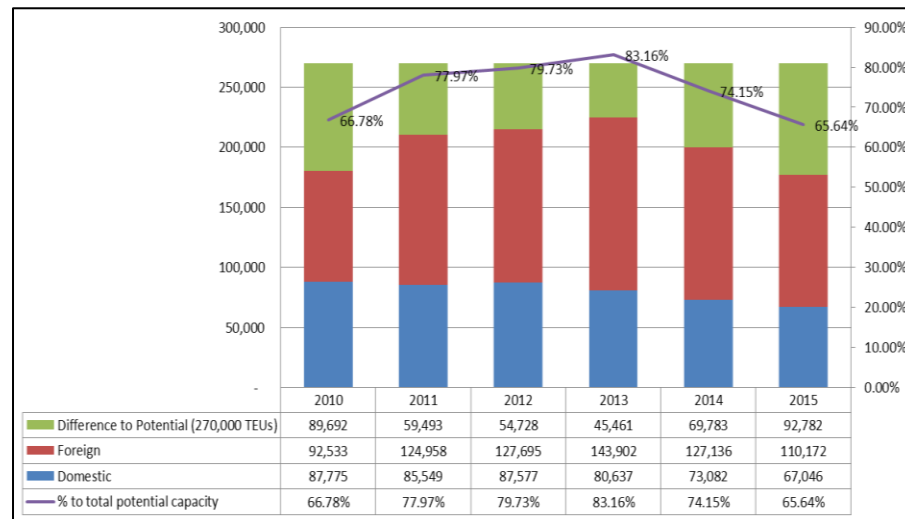
Source: CAAP-X

**Water transport.** As an archipelagic island, connectivity and access to market of goods and services are being enhanced through the operation of major ports in the region particularly in Cagayan de Oro, Ozamiz and Iligan. A total of 2.2 million passengers were recorded in these major ports in 2015. About 72 percent of the total number of passenger traffic was accounted in the Ozamiz Port mostly from the RoRo traffic from Mukas Port in Kolambugan, Lanao del Norte.

Mindanao Container Terminal (MCT) located in the PHIVIDEC Industrial Estate caters to a total of 110,172 foreign TEUs and 67,046 domestic TEUs in 2015.

In terms of support to industry needs in the distribution of regional products domestically and internationally, the

**Figure 19.3 Containers Handled (TEUs), Mindanao Container Terminal, Region X, 2010-2015**



Source: PIE-MO

## External Linkage

Map 19.1 shows the existing region's accessibility and connectivity with the other Mindanao regions through roads, airports and seaports, as well as with the rest of the country with the presence of international seaport.

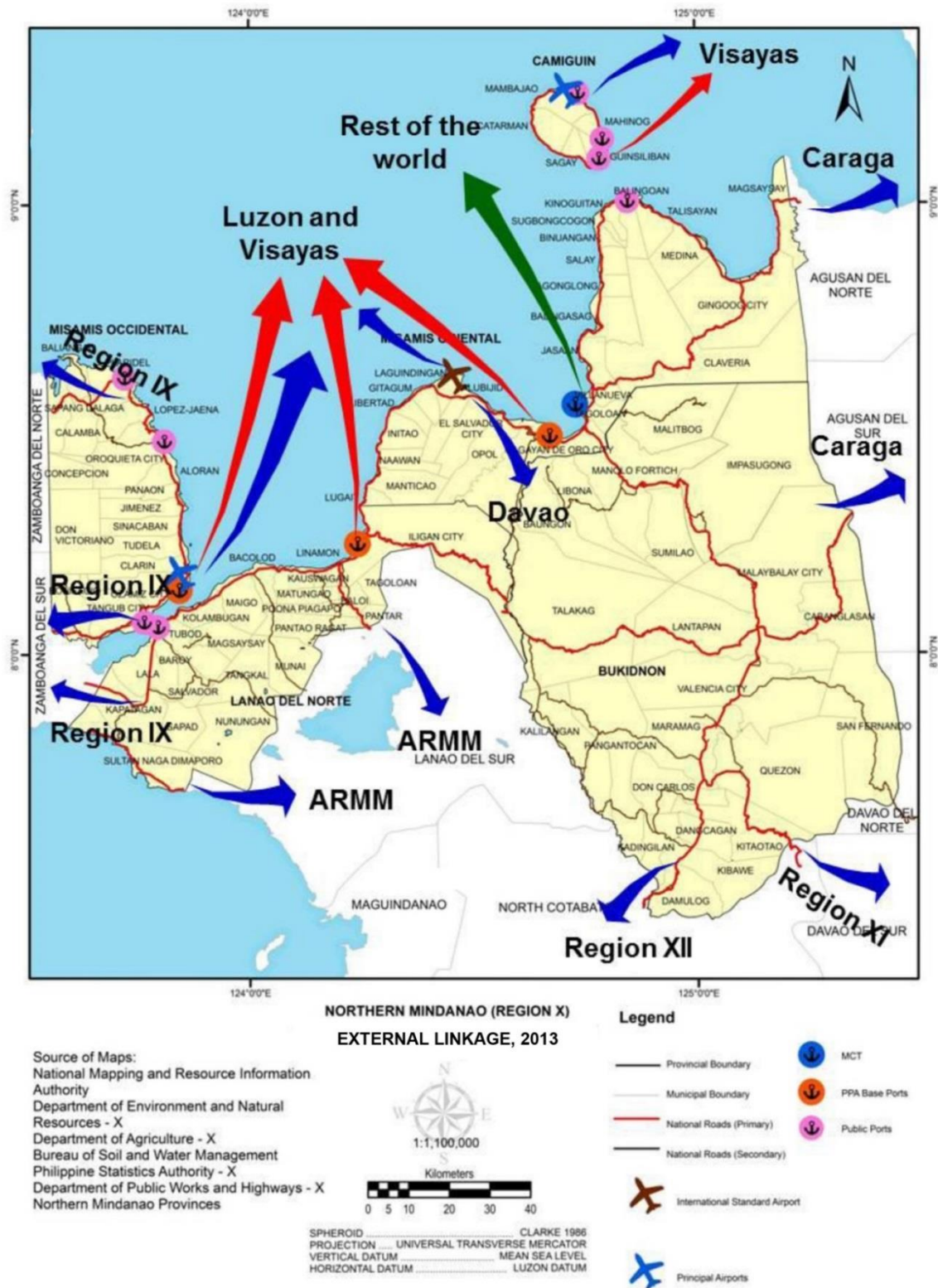
The following major cities in Mindanao are accessible by land transport:

- Butuan City from the east via the Butuan-Cagayan de Oro-Iligan Road (BCIR);
- Zamboanga City from the west via Linamon-Zamboanga Road;
- Dipolog City from the north-west via Oroquieta City-Plaridel-Calamba-Sapang Road;
- Pagadian City from the west via Ozamiz-Pagadian Road;
- Cotabato City from the South via Junction Sayre Highway-Damulog Poblacion Road;

- Davao City from South-east via Bukidnon-Davao Road; and
- Marawi City from Central Mindanao via Iligan-Marawi Road.

These roads are strategically linked to the growth centers of the region, as well as to other regions in Mindanao. Strategic Development Areas are also connected by the primary arterial road network system. The areas in the Cagayan de Oro-Iligan Corridor are connected mainly by the BCIR from Jasaan, Misamis Oriental to Tubod, Lanao del Norte. Said roads also serve as transit points for users of the Mindanao Container Terminal and the Laguindingan Airport. These roads continue to provide access and movement of agricultural and fishery products from Davao Region, Lanao del Sur and Zamboanga as well.

Map 19.1 External Linkage, Region X, 2013



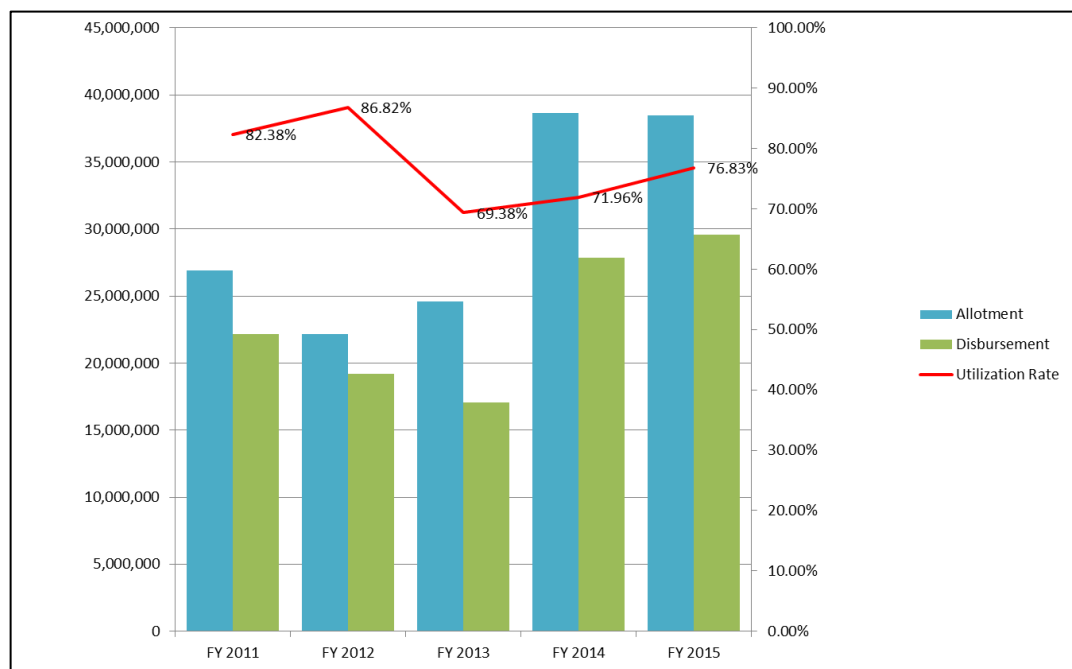
**Absorptive capacity in transport project implementation.** Based from the 2015 RPMES reports of the transportation subsector agencies, the average annual utilization rate of funds is about 77 percent. The right-of-way (ROW) acquisition remains the bottleneck in project implementation.

*Table 19.5 Project Fund Utilization of Transportation Agencies, Region X, FY 2011-2015*

YEAR	ALLOTMENT (PHP '000)	DISBURSEMENT (PHP '000)	% UTILIZATION
FY 2011	26,889,970.38	22,153,233.63	82.38
FY 2012	22,139,704.00	19,221,760.11	86.82
FY 2013	24,622,233.97	17,083,030.81	69.38
FY 2014	38,672,385.78	27,827,929.63	71.96
FY 2015	38,464,813.56	29,551,907.39	76.83

Source: RPMES Reports

*Figure 19.4 Project Fund Utilization of Transportation Agencies, Region X, 2011-2015*



Source of Basic Data: Regional Project Monitoring and Evaluation System Reports

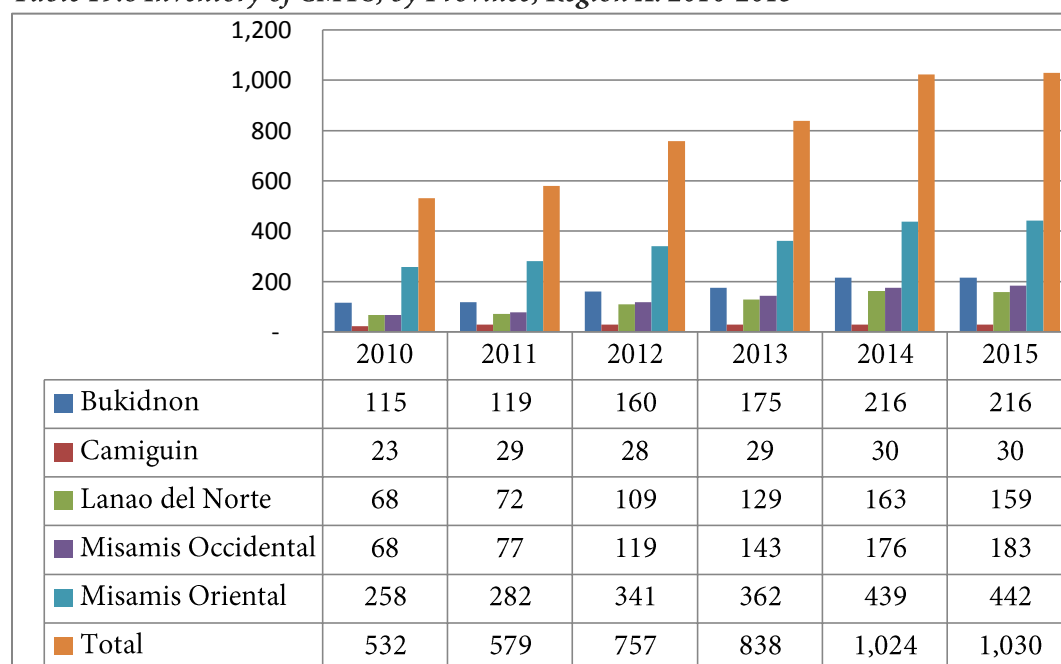
## Information and communications technology (ICT)

Universal access to ICT is critical in developing human capital, enhancing efficiency and transparency in government, and creating an enabling environment for business, supporting innovation and enhancing the overall competitiveness of the region and of the country (PDP 2017-2022).

**Telecommunications.** Cellular Mobile Telephone System (CMTS) services in the region are provided by the Digitel Mobile

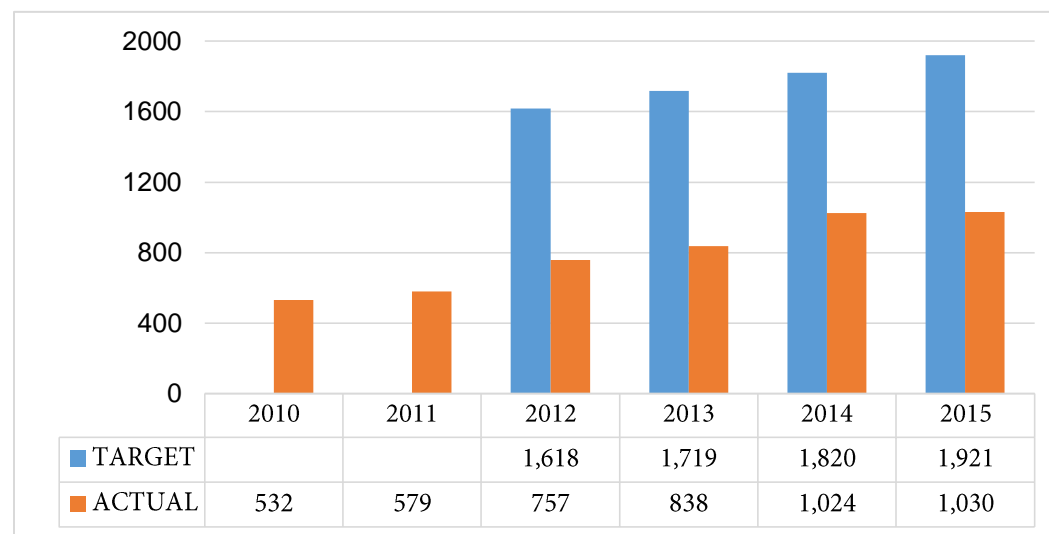
Philippines, Inc., the Globe Telecommunications, Inc., and the Smart Communications, Inc. As of 2015, the total number of CMTS reached 1,030 or an increase of 93.61 percent from 2010-2016. Despite the increase in the number of CMTS, the actual accomplishment fell short of the plan target for the year 2015 by 53.62 percent (or 891 CMTS). Moreover, a 100 percent coverage (i.e. cities and municipalities) remains unmet as five municipalities in the province of Lanao del Norte have no CMTS yet. These are the municipalities of Munai, Nunungan, Pantar, Tagoloan and Tangcal, covering a total number of 103 barangays.

**Table 19.6 Inventory of CMTS, by Province, Region X: 2010-2015**



Source of Basic Data: NTC-X

**Figure 19.5 Number of CMTS, RDP 2011-2016 Target versus Actual, Region X, 2010-2015**



*Source of Basic Data: NTC-X*

**E-Government Systems.** As a support to enhancing government services and operations through ICT, the national blueprint for electronic innovations in the government work process was laid down through the Electronic Government Master Plan 2013-2016 that brought the implementation of the Integrated Government Philippines (iGovPhil) Project. One of the main features of the project is the creation of data centers and laying out of fiber optic networks to interconnect government offices and provide high-speed communication and sharing of tasks and data. As of 2015, the government completed the laying out of fiber optic cables that connected 101 out of 120 government agencies to the government network.

**Community eCenters (CeCs).** The Philippine Community eCenter (PhilCeC) Project was initiated to build self-reliant barangays by providing computer units and internet facilities in the community. In

2011, CeCs were established in 67 cities and municipalities (16 in Bukidnon, 5 in Camiguin, 12 in Lanao del Norte, 14 in Misamis Occidental, and 20 in Misamis Oriental).

In 2015, the implementation of the PhilCeC Project was upgraded by providing computer units and harnessing ICT through the Technology for Education, to gain Employment and Empower Entrepreneurs toward Economic Development (Tech4ED).

## Energy

The region supports the country's direction in creating a carbon-reduced future wherein energy efficiency is a way of life, and the use of alternative fuels and renewable energy as intelligent choices. Around 65 percent of the generation capacity of all generation plants is from renewable energy sources. However, in the last five years, the share of the coal-fired and



diesel power sources is increasing by an annual average rate of 1.33 percent.

**Power generation.** The total installed capacity (IC) of power generation plants in the region is about 1,166 MW as of December 2015. In 2013, the total installed capacity decreased sharply by 109 MW due to the decommissioning of the Iligan Diesel Power Plant (IDPP) Units 1 and 2. For the last four years, the embedded power<sup>2</sup> increased by an annual average rate of 22 percent (65 MW) from 2011-2015, but it did not compensate for the reduction due to the decommissioning of the IDPP.

The embedded power sources provided cushion that allowed continuous power

supply to consumers in Region X even during times when the Mindanao Grid experienced net power supply-demand gap. It allowed most of the areas in Northern Mindanao to enjoy a stable power supply. Other areas connected to the Mindanao Grid without embedded power suffered 4-6 hours a day brown out.

The combined dependable capacity (DC) of all generating plants in Region X is about 80 percent of the total IC. The DC is the load carrying ability of an electric power plant or a generating unit that can be relied upon at any given time. For 2010-2015, the DC decreased by an annual average rate of 0.58 percent due to El Niño, dry spell and heavy siltation of rivers which supply water to the hydroelectric power plants (HEPs).

**Table 19.7 Comparative Data on Installed and Dependable Capacity of Power, Region X, 2010-2015**

CAPACITY (IN MW)									% CHANGE IN DC (2015/ 2010)	LOCATION
PLANT	INSTALLED CAPACITY				DEPENDABLE CAPACITY					
	2010	2013	2014	2015	2010	2013	2014	2015		
Hydro	722	722	722	722	589	571	635	610	3.6	
Agus 4 HEP	158	158	158	158	142	145	138	153		Brgy. Nangka, Balo-i, Lanao del Norte
Agus 5 HEP	55	55	55	55	46	48	48	53		Ditucalan, Iligan City
Agus 6 HEP	200	200	200	200	160	134	151	125		Ma. Cristina, Iligan City
Agus 7 HEP	54	54	54	54	37	36	44	44		Fuentes, Iligan City
Pulangui 4 HEP	255	255	255	255	205	208	253	235		Kiuntod, Camp 1, Maramag, Buk.
Coal-Fired	232	232	232	232	209	210	210	210	0.05	
Mindanao Coal	232	232	232	232	209	210	210	210		Balacanas, Villanueva, Mis. Or.

<sup>2</sup> Embedded generation is power generated on a smaller scale, however not centrally dispatched through the grid but directly connected and supplied to a distribution network or customer load point. ([www.erc.gov.ph](http://www.erc.gov.ph))



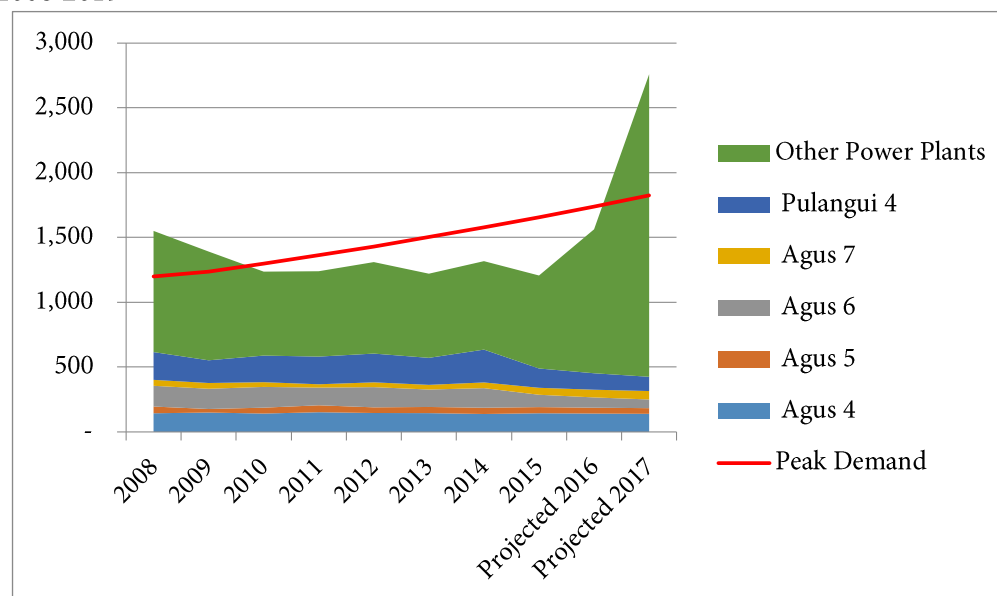
PLANT	CAPACITY (IN MW)								% CHANGE IN DC (2015/2010)	LOCATION
	INSTALLED CAPACITY				DEPENDABLE CAPACITY					
	2010	2013	2014	2015	2010	2013	2014	2015		
Diesel	109	-	-	-	109	-	-	-	(100)	
IDPP1	64	-	-	-	64	-	-	-		Mapalad, Iligan City
IDPP2	45	-	-	-	45	-	-	-		Mapalad, Iligan City
Sub-Total Without Embedded Power	1,063	954	954	954	907	781	845	820	(0.1)	
EMBEDDED POWER	47	99	204	212	52	112	120	116	12.3	
Minergy Power Plant	46	46	46	46	46	46	43	46		Tablon, Cag. de Oro City
Cabulig HEP	-	8	-	8	-	8	8	8		Claveria, Mis. Oriental
FG Bukidnon Power Corp.	-	2	2	2	-	2	2	2		Damilag, Bukidnon
Photo-Voltaic	1	1	1	1	1	1	1	1		Indahag, Cag. de Oro City
Bubunawan HEP	-	7	7	7	5	-	6	7		Baungon, Bukidnon
Crystal Sugar	-	21	21	21	-	21	21	21		Quezon, Bukidnon
FIBECO KEG DPP	-	3	3	3	-	3	3	3		Maramag, Bukidnon
Mapalad Power Corp		-	98	98		10	10	98		
MORESCO II - KEG DPP	-	11	11	11	-	11	11	11		Gingoog City
Panaon Diesel Power Plant	0	0	16	16	0	10	16	16		Panaon, Mis Occ.
Region X Total	1,110	1,053	1,158	1,166	959	893	965	937	(2.3)	
Mindanao Grid	1,830	1,521	1,300	1,300	1,236	1,237	1,117	1,300	5.2	

*Note: The above-mentioned power plants are either controlled and owned by NPC or having power supply contract with NPC. Other power plants that operate within the Mindanao Island are either embedded generators or IPPs without power supply contract with the NPC.*

Additional committed investments in power plant projects that started in 2013 are expected to address the generation capacity gap in the Mindanao Grid. New power

plants shall generate additional 915 MW (located in Northern Mindanao) and 700 MW (located in Southern Mindanao) as shown in Figure 19.6.

**Figure 19.6 Dependable Capacity and Peak Demand (MW), Mindanao Power Plants, 2008-2017**



Source of basic data: DOE

**Power transmission.** The transmission capacity of the region has improved with the completion of the Mindanao Backbone Transmission Project (MBTP) in 2015. The MBTP has three components namely: Abaga-Kirahon 230 kv TL, Kirahon-Maramag 230 kv TL and Maramag-Bunawan 230 kv TL.

The completion and energization of the MBTP strengthened the existing transmission system and provided an N-1<sup>2</sup> redundancy for power transmission by increasing the power transfer capability of the existing facilities and enhancing reliability and stability of the Mindanao Grid.

**Power distribution.** The region has sustained the universal electrification for

barangays since 2010 while household energization reached 86.75 percent (792,423 HHs out of the 913,546 HHs) within the franchise areas of eight electric cooperatives and two private electric power distribution companies, as of the fourth quarter 2015.

Moreover, other rural households living in areas which are not connected to the transmission grid continue to utilize available alternative energy source through the Solar Power Technology as promoted by the National Electrification Administration (NEA) under its Expanded Household Electrification Program (HEP).

The Sitio Electrification Program (SEP) accomplished only 78 percent of the potential 10,135 sitios in the region as of

<sup>2</sup> In transmission system operations, the N-1 criterion is deterministic and it requires that the system be able to tolerate the outage of any one component without disruption and does not concern itself with the probability of an outage. Even if an outage is highly unlikely, the criterion is still generally applied because system failure due to a lost component is unacceptable. ([www.erc.gov.ph/Files/Render/media/N-1OperationalCriteria](http://www.erc.gov.ph/Files/Render/media/N-1OperationalCriteria))

December 2015 leaving 2,230 sitios still unserved.

**Table 19.8 Electrification Coverage, Region X, as of December 2015**

	TOTAL	SERVED	UNSERVED	ELECTRIFICATION LEVEL (%)
Barangay	2,022	2,022	-	100.00
Household	913,456	792,423	121,033	86.75
Sitio	10,135	7,905	2,230	78.00

Source: NEA

The distributors of power in Region X comprised eight electric cooperatives (ECs) and two companies namely:

1. Camiguin Electric Cooperative
2. First Bukidnon Electric Cooperative
3. Bukidnon II Electric Cooperative
4. Misamis Occidental I Electric Cooperative
5. Misamis Occidental II Electric Cooperative
6. Misamis Oriental I Electric Cooperative
7. Misamis Oriental II Electric Cooperative
8. First Bukidnon Electric Cooperative
9. Cagayan Electric Power & Light Co., Inc. (CEPALCO)
10. Iligan Light & Power, Inc. (ILPI)

halve the proportion of population with no sustainable access to safe drinking water and basic sanitation by 2015.

Of the total 990,380 households in the region, around 931,455 households or 94.05 percent have access to safe water in 2015. The remaining 5.95 percent may have doubtful sources of drinking water. There are 35 operational water districts in the region as of 2015, from 20 in 2010.

The implementation of the Sagana at Ligtas na Tubig sa Lahat (SALINTUBIG) Program of the government has also contributed in increasing the water services for the waterless population, and in reducing incidence of water-borne and sanitation related diseases.

## Water resources

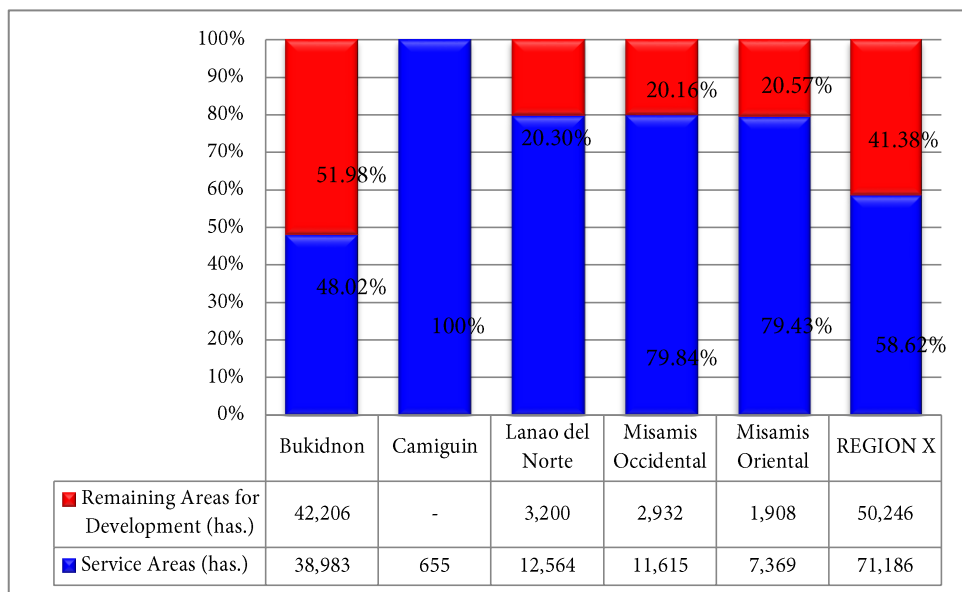
Access to water is a basic human right. Thus, the State shall ensure universal access to safe, clean, reliable and affordable drinking water and sanitation for every Filipino. Water also plays a significant role in economic development particularly in increasing the country's competitiveness by ensuring provision of water for the community, industry, services and agriculture.

**Water supply.** The region has significantly contributed to the attainment of the MDGs since 2010, particularly Goal 7 which is to

**Irrigation.** As support to increasing agricultural productivity, the level of irrigation development in the region is still low at 58.62 percent covering only 71,186 hectares out of the potential irrigable area of 121,432 hectares. The development of irrigation facilities includes the construction of small irrigation projects, communal irrigation projects, completion of the Talakag Irrigation Project Phase I, construction of dams in upper Pulangui Area in Malaybalay City, restoration and rehabilitation of the Pulangui River Irrigation System and completion of the

Tangub Small Reservoir Irrigation Project  
in Misamis Occidental.

**Figure 19.7 Level of Irrigation Development, Region X, as of 2015**



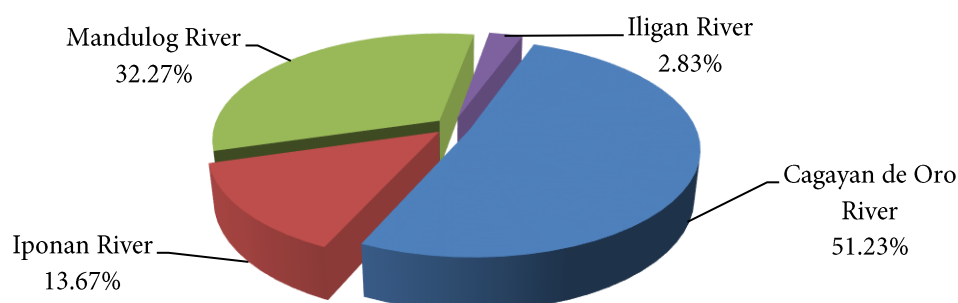
Source of basic data: NIA-X

**Flood management.** The construction of flood control and drainage projects was intensified after TS Sendong in 2011. These projects are given priority to improve the resiliency of communities to natural hazards and climate change, particularly those communities along the Cagayan de Oro, Iponan, Mandulog and Iligan rivers. Although, it was targeted in the plan for a zero casualty in times of flooding and flashfloods due to typhoons, the region still experienced the ill effects brought about by Typhoon Agaton in January 2014, Typhoon

Seniang in December 2014 and Typhoon Hanna in July 2015 that caused 19 deaths due to drowning.

As of December 2015, a total of PHP 3.2 billion was allocated for flood control projects in Cagayan de Oro and Iligan cities. The total area to be protected is about 2,984.97 hectares covering 41 and 13 barangays in Cagayan de Oro and Iligan cities, respectively. The implementation of the flood control projects are in various stages of implementation.

**Figure 19.8 Distribution of Flood Control Projects Based on Project Cost Cities of Cagayan de Oro and Iligan, as of 2015**



Source of basic data: DPWH-X

## Social infrastructure

Social infrastructure includes physical assets and facilities used for the effective delivery of social services toward improving the standards of living and quality of life. Social infrastructure includes, among others, education facilities, hospitals and other health facilities and waste management.

**Health.** As of December 2015, the region has 65 hospital facilities<sup>3</sup> (22 are government and 43 are privately owned and managed). In terms of the level of functional capacity, most of the hospitals in the region are classified as Level 1 and Level 2, and only three hospitals are classified as Level 3. The Northern Mindanao Medical Center, a Level 3 DOH-retained hospital is

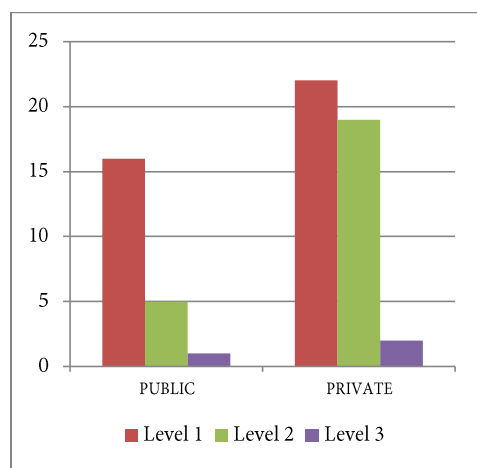
already capable of conducting open heart surgeries and transplant.

As of December 2015, the total authorized bed capacity reached 4,979 with hospital bed to population ratio of 1:942, which is higher than the standard of 1:1,000 ratio.

<sup>3</sup> Based on Department of Health's AO No.2012-0012, "Rules and Regulation Governing the New Classification of

Hospitals and Other Health Facilities in the Philippines", wherein, General Hospitals are classified according to their functional capacities (i.e. Level I, II and III).

**Figure 19.9 Hospital Facilities, by Level, Region X, as of 2015**



Source: DOH-X

Although the province of Misamis Oriental has a hospital bed to population ratio of 1:5,709, health facilities in Cagayan de Oro are accessible within the province. The provinces of Misamis Occidental,

Bukidnon, Lanao del Norte and the cities of Gingoog and Tangub have ratios below the standard. Thus, there is a need to enhance access and establish additional hospitals/health facilities in these areas.

**Table 19.9 Number of Hospitals, by Province/City, Region X, 2015**

PROVINCE/CITY	NUMBER OF HOSPITALS		HOSPITAL BED TO POPULATION RATIO
	PUBLIC	PRIVATE	
Bukidnon	3	6	1:1,965
Camiguin	1		1:885
Lanao del Norte	3	4	1:1,761
Misamis Occidental	1	2	1:3,437
Misamis Oriental	4	1	1:5,709
Cagayan De Oro City	3	9	1:482
Iligan City	1	6	1:558
El Salvador City			
Gingoog City	1	2	1:1,187
Oroquieta City	1		1:395
Ozamiz City	2	4	1:237
Tangub City	1		1:1,260
Malaybalay City	1	3	1:432
Valencia City		5	1:494
<b>REGION</b>	<b>22</b>	<b>43</b>	<b>1:942</b>
	<b>STANDARD</b>		<b>1 : 1,000</b>

Source of basic data: DOH-X

As of December 2015, the region has a total of 1,471 first-contact healthcare facilities offering basic services to the community as follows: infirmaries (45), rural health units (121) and barangay health stations (1,305). With the existing number of barangay

health stations (BHS) in the region, basic health services are accessible throughout the region. However, the functionality of the BHS should be prioritized and sustained.

**Table 19.10 Rural Health Units and Barangay Health Stations to Population Ratio, by Province, Region X, 2015**

PROVINCE	RHU TO POPULATION RATIO	BHS TO POPULATION RATIO
Bukidnon	1 : 52,380	1 : 3,274
Camiguin	1 : 17,696	1 : 1,638
Lanao del Norte	1 : 29,408	1 : 2,332
Misamis Occidental	1 : 23,324	1 : 4,599
Misamis Oriental	1 : 52,380	1 : 3,274
<b>REGION X</b>	<b>1 : 37,021</b>	<b>1 : 3,353</b>
<b>STANDARD</b>	<b>1 : 20,000</b>	<b>1 : 5,000</b>

Source of basic data: DOH

**Education.** A total of 12,219 additional classrooms (elementary and secondary) were constructed from 2012 to 2015. These include classrooms constructed through the Public-Private Partnership (PPP) scheme and by the Local Government Units through the Local School Board.

Based on the SY 2013-2014 number of classrooms, the average classroom to pupil ratio was 1:34 for the elementary and 1:47 for the secondary level. The standard classroom to pupil ratio for both for elementary and secondary level is 1:45.

**Table 19.11 Classroom to Pupil Ratio, by Province/City, Region X, SY 2013-2014**

PROVINCE/CITY	CLASSROOM TO PUPIL RATIO	
	ELEMENTARY	SECONDARY
Bukidnon	1:35	1:46
Camiguin	1:23	1:39
Lanao del Norte	1:30	1:45
Misamis Occidental	1:22	1:38
Misamis Oriental	1:41	1:51
Cagayan de Oro	1:49	1:56
Iligan City	1:34	1:47
El Salvador	1:33	1:42
Gingoog City	1:33	1:41
Oroquieta City	1:19	1:45
Ozamiz City	1:27	1:45
Tangub City	1:25	1:44
Malaybalay City	1:38	1:46
Valencia City	1:42	1:54
<b>REGION X</b>	<b>1:34</b>	<b>1:47</b>

Source: DepEd-X

## Solid waste management

**Sanitary landfill.** Most of the LGUs opted to maintain controlled dumps although portions are already closed and developed into Ecological Solid Waste Management (ESWM) Parks.

Only seven LGUs in the region have proper safe disposal system consistent with the requirement under Republic Act 9003 (Ecological Solid Waste Management Act of 2000). The cities of Iligan and Ozamiz constructed SLFs in 2016. (Please refer to Chapter 20 for the discussion on Solid Waste Management).

**Materials recovery facility.** There are 737 barangays served by Materials Recovery Facilities (MRFs) of the 742 target barangays.

Apart from the physical structures, the LGUs were able to prepare and update their 10-Year Solid Waste Management Plan (SWMP). There were 93 LGUs (cities/municipalities) in the region that have already complied with the non-extendable deadline set by the National Solid Waste Management Commission

(NSWMC) for the submission of the SWMP.

MRF is important as this facility sorts mixed materials and ensure that non-recyclable are removed. This process helps in providing quality recyclables that manufacturers need to make products and goods.

As part of the SWMP preparation and updating, 80 percent of the LGUs conducted Waste Assessment and Characterization that provided information as to the type, volume, and characteristics of their wastes. The information allowed the LGUs to program waste reduction by 50 percent.

## Challenges

While there were significant accomplishments in the infrastructure sector, these remain inadequate and lacking to keep pace with the population increase and urbanization of the region. Thus, the following challenges have to be addressed:

- The need to improve governance at all levels to ensure proper implementation and timely completion of programs and projects;
- Low or inadequate capacities of implementing agencies and LGUs along project development particularly



on project proposal preparation, implementation and monitoring and evaluation which affect the absorptive capacities of infrastructure fund utilization;

- Lack or limited technical and financial capacities of local government units in the PPP implementation as one of the major strategies to fast track infrastructure build up;
- Right-of-way issues which delay and hinder project implementation (including cellular sites tower installation projects);
- Lack of coordination between implementing agencies and the LGUs which delays project implementation;
- Lack of transparency and accountability of both public and private institutions in providing service to the people and in undertaking programs, projects and activities; and,
- Poor planning, program/project preparation and implementation at the national and local levels.

## Transport

The major challenges that confront the transport subsector include:

*Poor connectivity especially in rural, production, and lagging areas.* The unpaved local roads (90%) contributed to the slow growth of the rural areas due to poor linkage of production areas to market centers and poor access to tourism sites. Thus, low agricultural productivity is translated to low household income affecting human development. This situation also encourages people to move to urban areas which resulted to urban blight and congestion.

*Traffic congestion in key cities.* Traffic congestion continues to persist particularly in the main thoroughfares in urban areas due to the concentration of motor vehicles and narrow road network. Also, the roll-on roll-off and other seaport facilities remained deficient and congested.

*Transport vulnerability to hazards.* Vulnerability to disaster of the transport infrastructure is also a major concern. Portions of the major road network of the region are situated along the coastlines and traversed river systems; hence, are vulnerable to flooding and landslides. Seaports in the region are exposed to natural hazards because of the inherent locations.

*Limited capacity of air transport facilities.* The Laguindingan Airport has already exceeded its design capacity of 1.6 million passengers which resulted to overcrowding. The lack of night time flying capabilities of other airports in the region (Camiguin and Ozamiz) also likely caused the congestion at the Laguindingan Airport. These airports also experience flooding on the runways during heavy rains.

## Information and communications technology (ICT)

*Lack of real competition in the telecommunications industry resulting to low speed and high cost internet connectivity.* While major developments have been undertaken to improve internet

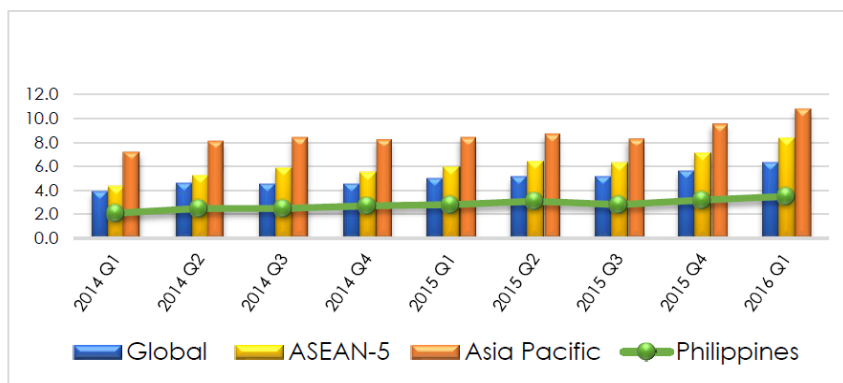
connectivity, broadband coverage is still concentrated in urban centers and majority of the areas in the region are still without telecommunications/internet connectivity. Right-of-Way issue is identified as another major concern for the cellular site tower installation projects.

Further, the Philippines broadband connectivity has been outperformed by other countries in the Association of Southeast Asian Nation, the Asia Pacific Region and the rest of the world (PDP 2017-

2022); i.e., in terms of speed (Mbps - megabits per second) and affordability. As of the first quarter of 2016, the average connection speed is 3.5 Mbps.

Moreover, the e-government system has not been able to fully utilize the features of ICTs and broadband which would supposedly facilitate communication and link between the government and its citizens.

**Figure 19.10 Average Download Speed (Mbps), 2014-2016**



Source: Akamai's State of the Internet Report Q1 2014 to Q1 2016 reports

## Energy

The main challenge for the power industry sector is to ensure energy security by providing a sustainable, reliable, safe and affordable power for all. There is the need therefore to improve on the investment environment for power to improve sector efficiency and ensure access to affordable energy.

**Power generation.** The persistent demand-supply gap in the Mindanao Grid constrained economic development, hampered economic activities and inflow of investments. The Mindanao Grid is vulnerable to power outage especially during long dry season due to its heavy reliance on hydropower plants. This was experienced in early 2012 when the El Niño phenomenon drastically reduced the capacities of the Agus and Pulangui HEPP

Complexes. The efficiency of the existing hydroelectric power plants (HEPPs) is also compromised by heavy siltation of rivers and poor maintenance of watershed in which the HEPPs depend their water sources. Share of fossil fuel in the energy mix is rising; hence, the need to harness renewable, clean, and indigenous power sources to minimize foreign exchange and environmental costs.

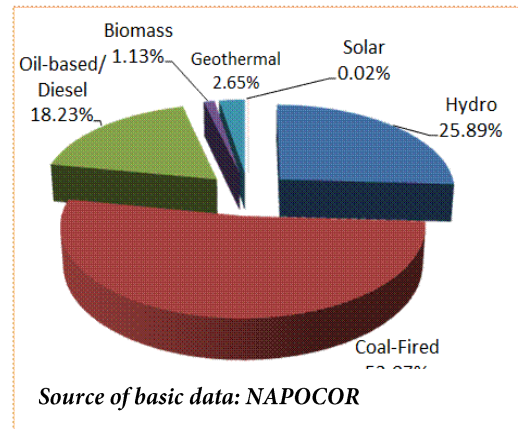
By 2017, about 65 percent or 1,320 MW will be produced by coal fired power plants located in the region. More than half of the power generated by these plants shall be transmitted to Southern Mindanao where demand for power is greater. The challenge is to rationalize the location of power plants in Mindanao to areas where there is greater demand for power, hence, decreasing systems loss. When all committed coal-fired power plants in Mindanao become operational, its share in the generation mix will be more than 50 percent.

Power transmission towers are strategically located to improve efficiency in transmitting power from the power generation plants to the consumers. However, energy security is compromised due to peace and order problem in some areas. There were cases in the past when some armed group attacked and damaged transmission towers and related facilities.

Most Electric Cooperatives (ECs) are financially constrained to enter long-term contract with generation companies to ensure power supply. Thus, in the event of

disasters, power supply is reduced which results to power outages.

**Figure 19.11 Power Generation Mix, Region X, 2017**



## Water resources

The increasing competing uses of the country's scarce water resources (i.e., domestic and industry supply, irrigation, power generation, etc.) coupled with the more frequent occurrences of climate-related events affect the environmental integrity of watersheds and major water bodies.

*Inaccessibility of potable water supply.* Universal access and sustainability of water supply is still a major concern. While more than 94 percent of the households in the region have access to water supply, some far flung areas of Lanao del Norte still have no access to potable water.

The municipalities of Kapatagan, Munai and Tangcal of Lanao del Norte remained to be waterless with more than 50 percent of

the total household population are not yet connected to any water supply system. Likewise, waterless barangays still exist. Some of the reasons are the lack of manpower and capability to prepare the necessary documents required, as well as the skills in the procurement process for water supply projects.

Most of the water utilities are facing high level water losses in distribution network, resulting to “non-revenue water” (NRW). High level of NRW reflect huge volumes of water being lost due to leaks not being billed to customers or clients. NRW seriously affects the financial viability of water utilities due to lost revenue and increased generational costs.

The requirements of the economic and industry sectors shall be addressed to improve business climate and create a conducive environment for investments.

*Low level of irrigation development.* The province of Bukidnon which is the food basket of the region has the lowest level of irrigation development at 47.47 percent with 43,000 hectares still needing irrigation service. The low level of irrigation development and their factors such as difficult access or poor road network, poor storage facilities and limited financing contributed to the low productivity in the agriculture sector.

Likewise, the conversion of agricultural lands into urban uses has affected the irrigation development in the region. Some of the potential irrigable areas or irrigated areas, particularly in low lying areas in the

region were threatened by on-going changes in land use, such as conversion into housing development, golf courses, among others.

#### *Poor flood control and drainage systems.*

There is an increasing frequency and intensity of flood occurrences due to climate change. Aside from climate change, the region particularly the highly urbanized and component cities, as well as some urbanizing areas are susceptible to flash floods and flooding during heavy rains because of poor flood control and drainage system aggravated by heavy siltation in rivers and creeks, thereby increasing flood hazard and vulnerability on these areas.

Right-of-Way acquisition is a major concern in the implementation of flood control projects. Moreover, the LGUs have difficulty in providing funds for the construction and improvement of drainage canals and flood control measures, as well as for the acquisition of relocation sites for the affected families of the projects.

## **Social infrastructure**

Social infrastructure development in the region has made significant strides in the attainment of health and education outcomes, however, institutional and governance issues that affect planning, programming and budgeting in the implementation of basic social infrastructure still remain a big challenge.

*Inadequate health and education facilities.* Although the region has already met the standard on hospital bed to population ratio, there are still areas in the region which lack hospitals/health facilities. Apart from ensuring availability, the quality and functionality of health facilities by providing human resources and the necessary equipment is critical.

Inadequate classrooms and other educational facilities remains a challenge especially with the implementation of the K to 12 Program. Another concern is the provision of clean water and sanitation facilities in public schools. Lack of access to these basic services not only affects the learning process but also the health and nutritional status of public school students.

*Poor solid waste management.* Low compliance of LGUs with the requirements of RA 9003 (Ecological Solid Waste Management Act of 2000) is a major concern. Most LGUs usually lack the technical capacity to formulate the Solid Waste Management Plan. Moreover, the LGUs do not have enough budget to implement the necessary interventions indicated in the plan. The failure of the LGUs to comply with the requirements of RA 9003 has prompted the Office of the Ombudsman, on behalf of the National Solid Waste Management Council to undertake legal actions against erring LGUs, particularly those that are still operating open dumpsites, have not yet submitted the 10-Year SWM Plans, have

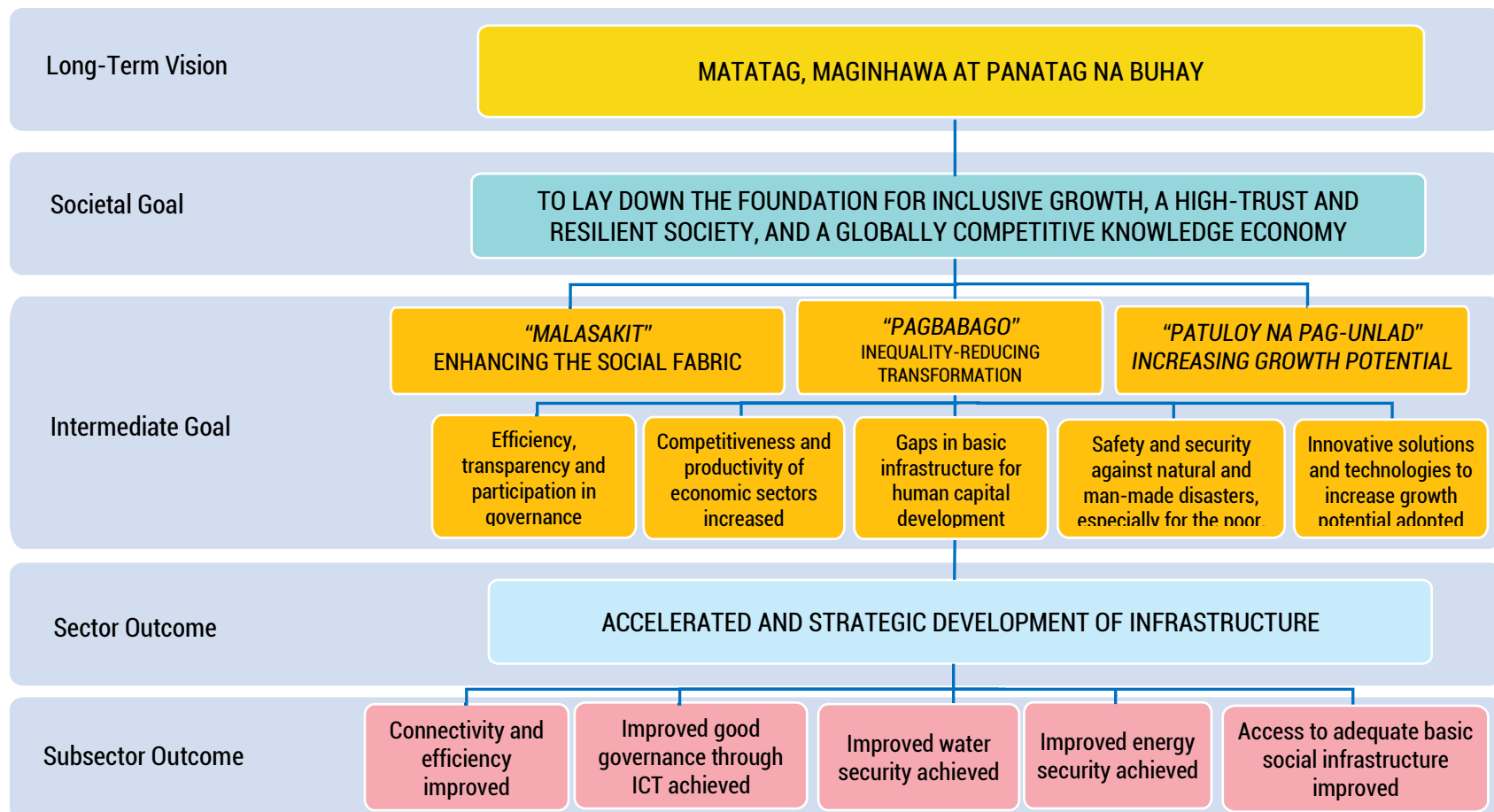
not built Material Recovery Facilities, and have not implemented segregation at source in their jurisdictions (PDP 2017-2022).

In addition, the subsector is also vulnerable to the following:

- Political factors that render the clustering of sanitary landfills infeasible and unsustainable;
- Availability, suitability, and social acceptability problems in site selection for sanitary landfills;
- Technological constraints arising from existing legal issuances; and
- Limited awareness of communities and the general public on waste segregation and on recycling, recovery, and composting technologies.

# Strategic Framework

Figure 19.12 Strategic framework for accelerating infrastructure development



Based on the strategic framework shown in Figure 19.12, the infrastructure sector continues to provide adequate and efficient logistics system, integrated intermodal transportation facilities and social infrastructure support and services towards laying the foundation for inclusive growth, a high trust and resilient society and a globally competitive knowledge economy. As such, to keep pace with the growing economy, the region requires more and improved infrastructure investments during the plan period.

Efforts along infrastructure development shall respond to the growing requirements of the economy by enhancing access, connectivity and efficiency in the mobility of people, goods and services, and improving communications and water resources, providing the needed power requirement, constructing disaster resilient education and health facilities, and providing the necessary infrastructure support for improved waste management.

Moreover, to accelerate infrastructure development, the sector will focus on the improvement of governance at all levels to ensure proper implementation and timely completion of programs and project.

With the increasing frequency of extreme weather events and in reducing disaster risk and improving resiliency of the communities to climate change and disasters, the principle of building back better shall be integrated in all infrastructure facilities.

As spelled out in the PDP 2017-2022, the next six years will be characterized as the “Golden Age of Infrastructure” in the

Philippines. As such, infrastructure spending shall increase to at least five percent of the GDP from less than three percent in the previous plan, thus benefiting all regions of the country.

### **Sector outcome: Accelerated and strategic development of infrastructure**

Under the pillars of *malasakit, pagbabago at patuloy na pag-unlad*, achieving accelerated and strategic development of infrastructure shall contribute to the following intermediate goals of 1) efficiency, transparency and participation in good governance enhanced; 2) competitiveness and productivity of economic sectors increased; 3) gaps in basic infrastructure for human capital development reduced; 4) safety and security against natural and man-made disasters, especially for the poor, improved; and 5) innovative solutions and technologies to increase growth potential adopted.

The overarching strategies towards a resilient and climate-proof infrastructure sector shall be pursued, such as:

- Improve connectivity and mobility in the region, and resiliency of infrastructure systems;
- Provide transport connectivity of growth centers and small towns or impoverished areas to urban areas, and production and market or consumption areas, and access to tourism destinations;
- Conduct of R&D to develop new infrastructure technology that is cost effective and structurally sound;



- Establish alternate transport solutions (new or redundant roads, bus rapid transit, expressway, railway); and
- State-of-the art design of ports to consider natural disaster risk implications

### *Subsector outcome 1: Connectivity and efficiency improved*

#### **Strategy 1: Developing a regional transport master plan**

The Northern Mindanao Regional Transport Master Plan shall be prepared to serve as the blueprint towards rational development of an intermodal transport infrastructure network within and outside the region.

#### **Strategy 2: Improving connectivity for productivity**

The proposed alternative transport solutions (Map 17-3) shall respond to the need of providing redundant connectivity when certain transportation system is cut-off due to natural disasters. It shall also respond to the growing requirements of the economy by enhancing access and efficiency of movement of people, goods and services.

Linking production areas to market centers, providing access to tourism destinations, and establishing vertical linkages between and among industrial and manufacturing hubs, and food and agri-based product clusters shall be vigorously pursued during the plan period.

Apart from construction of post-harvest facilities such as multi-purpose pavement, appropriate access to and from production areas and market centers such as tramlines shall be constructed to facilitate marketing of agricultural products.

This shall be achieved through an efficient interconnected road-based infrastructure that are resilient to climate change and disasters, such as the development of new or redundant roads; improvement of farm-to-market roads; development of interregional and intraregional roads; establishment of an expressway system, Bus Rapid Transit System; paving of all national arterial and secondary roads, prioritizing the unpaved portion of roads in southern Bukidnon; and the implementation of the Panguil Bay Bridge Project (PBBP) connecting Tangub City, Misamis Occidental and Tubod City, Lanao del Norte. The PBBP is also seen to reduce travel time not only between Tangub and Tubod, but also, from Cagayan de Oro and Iligan to the cities of Tangub, Ozamiz, Oroquieta, Dipolog, and Dapitan in Zamboanga del Norte.

The region shall pursue the establishment of the Mindanao Railway System to support its role as the gateway to Mindanao. The project is deemed crucial to economic development in the region. The railway system is expected to connect major cities, such as Cagayan de Oro, and Iligan, in the region to the cities in other regions, such as Zamboanga, Butuan, Surigao, Davao, and General Santos.

To strengthen policy support in improving connectivity, the following studies shall be pursued:



- Traffic congestion management in key cities in the region
- Impact of climate change to the transport sector
- Seaport development
- Urban transport system masterplan formulation for the cities of Cagayan de Oro and Iligan

As support to improving productivity, logistics facilities in airports and seaports such as cold storage facilities shall be provided.

**Strategy 3: Improving the capacity of the airports to consequently improve civil aviation**

The existing facilities of the international-standard Laguindingan Airport, serving as the gateway to Northern Mindanao, shall be improved and expanded, considering the projected increases in passenger and cargo traffic. The Laguindingan Airport Development and Operations and Maintenance (O&M) Project that was approved by the NEDA Board in July 2014 under a public-private partnership (PPP) scheme shall improve the design capacity and facilities of the airport. The project involves the expansion of both the passenger and cargo terminal building, and extension of the runway. Once successfully implemented, the intention is for the

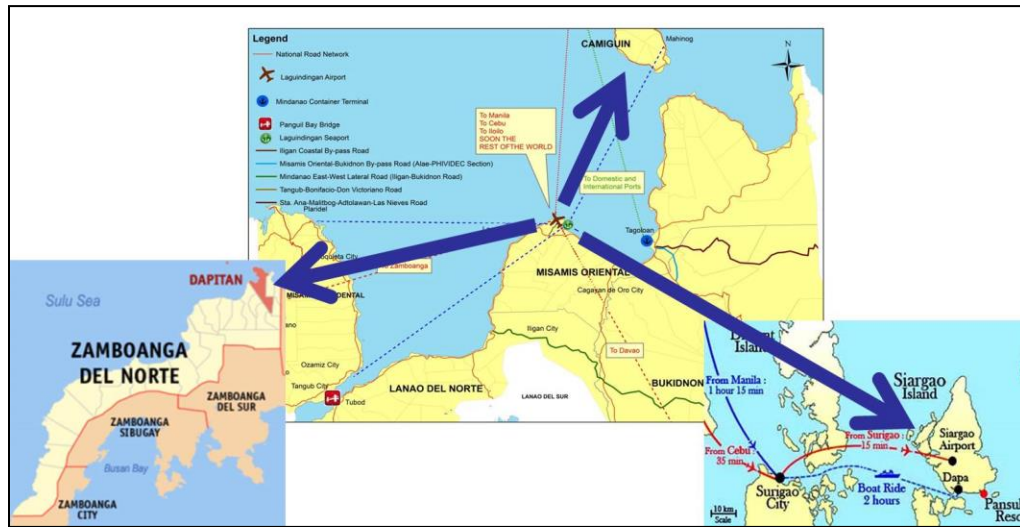
airport to accommodate international flights.

To further boost agri-business ventures and ecotourism as a strategic development in the southern part of Bukidnon, the establishment of a domestic airport in the municipality of Don Carlos shall also be pursued.

**Strategy 4: Improving port facilities to ensure inter-island shipping, including a stronger RORO network as a viable means for transporting people and cargoes**

To further improve the intermodal transportation system of the region, the establishment of the Laguindingan Seaport shall be pursued. The seaport shall serve as an alternate transport system going to the Laguindingan Airport from Cagayan de Oro City. Envisioned to serve as part of the tourism triangle that shall connect Camiguin Island to key areas in Misamis Occidental, it is seen to consequently promote tourism in the region. The proposed seaport, in addition to the existing Laguindingan Airport, shall also serve as critical point of entry in the Northern Mindanao Tourism Seaboard linking to the Zamboanga region in the west, and the Caraga region in the east.

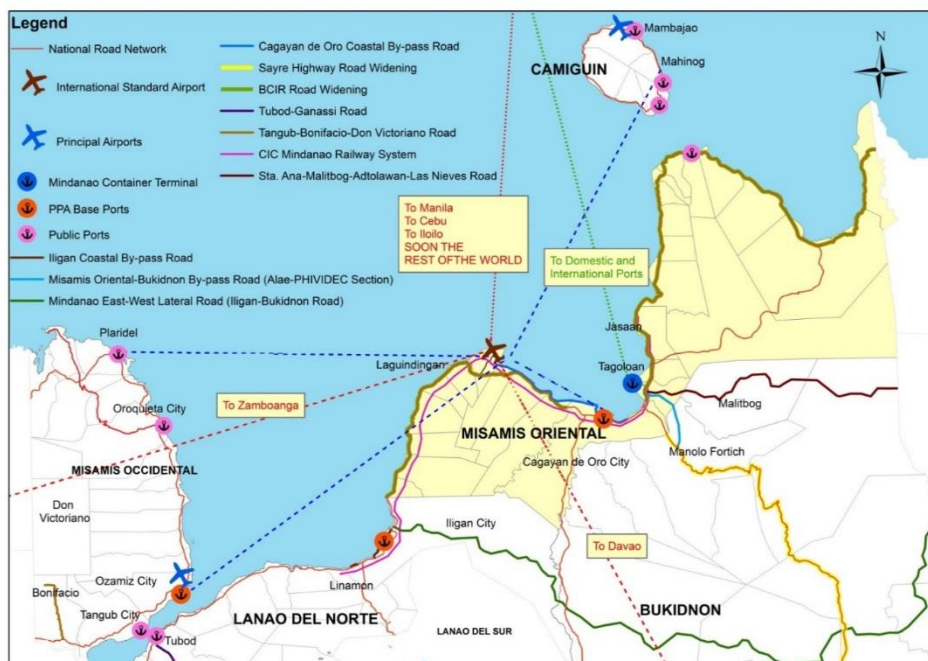
Figure 19.13 Northern Mindanao Tourism Seaboard



In support to the development of the expanded Cagayan de Oro- Iligan-Corridor (CIC) as a logistics hub, the potentials of the PHIVDEC Industrial Estate in Misamis Oriental (PIE-MO) shall be maximized.

Hence, the expansion of the Mindanao Container Terminal is proposed to improve efficiency and accommodate more containerized cargoes.

Map 19.2 Laguindingan Airport-Mindanao Container Terminal Allied Projects



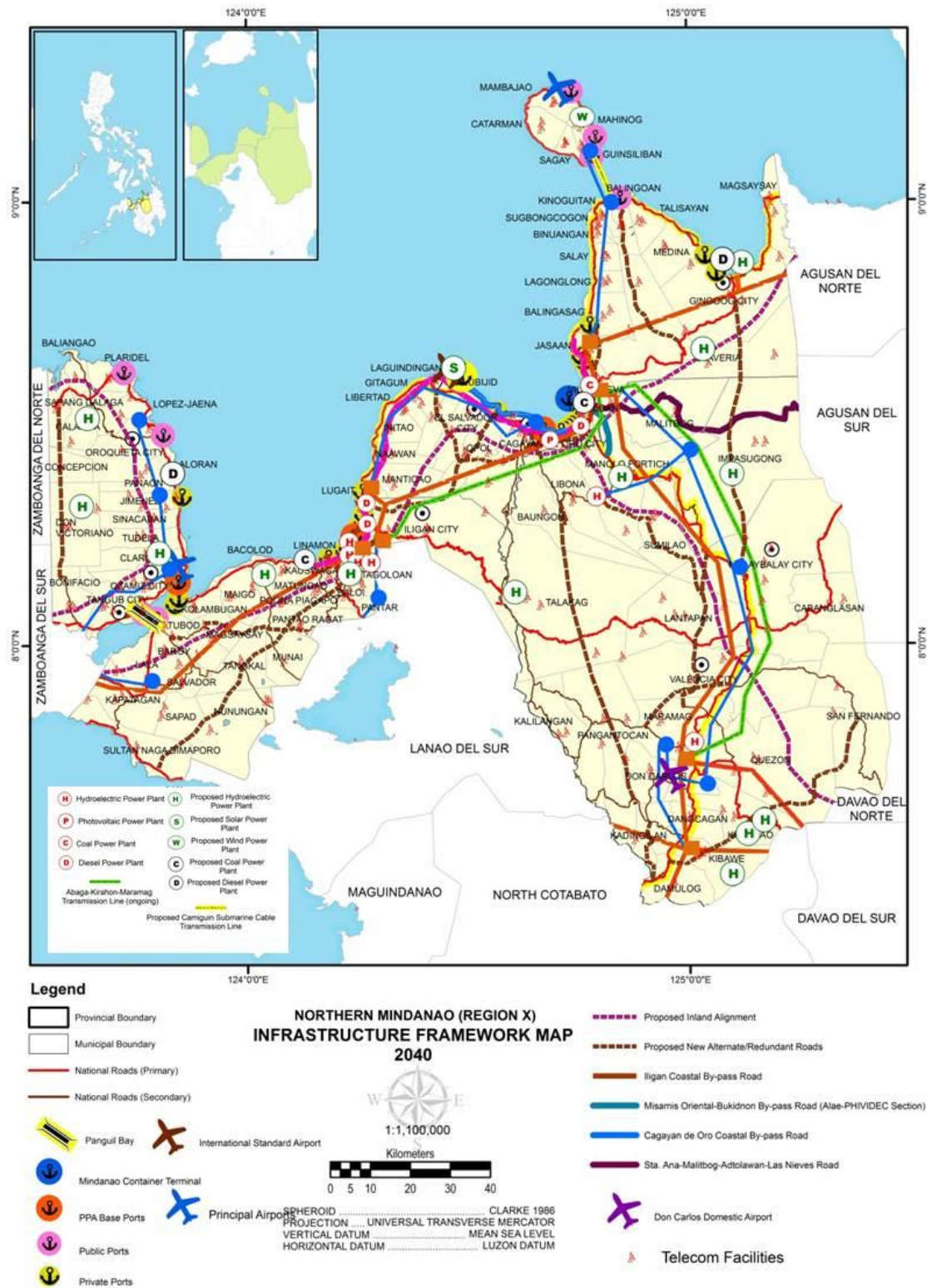
**Strategy 5: Easing traffic congestion and ensuring public safety and convenience**

Traffic congestion management system (TCMS) shall be pursued to decongest key cities. The desired shift from private to public transport, with emphasis on mass transport shall be encouraged by ensuring accessibility, availability, affordability, and convenience of the riding public.

Other related policies that shall be pursued are as follows:

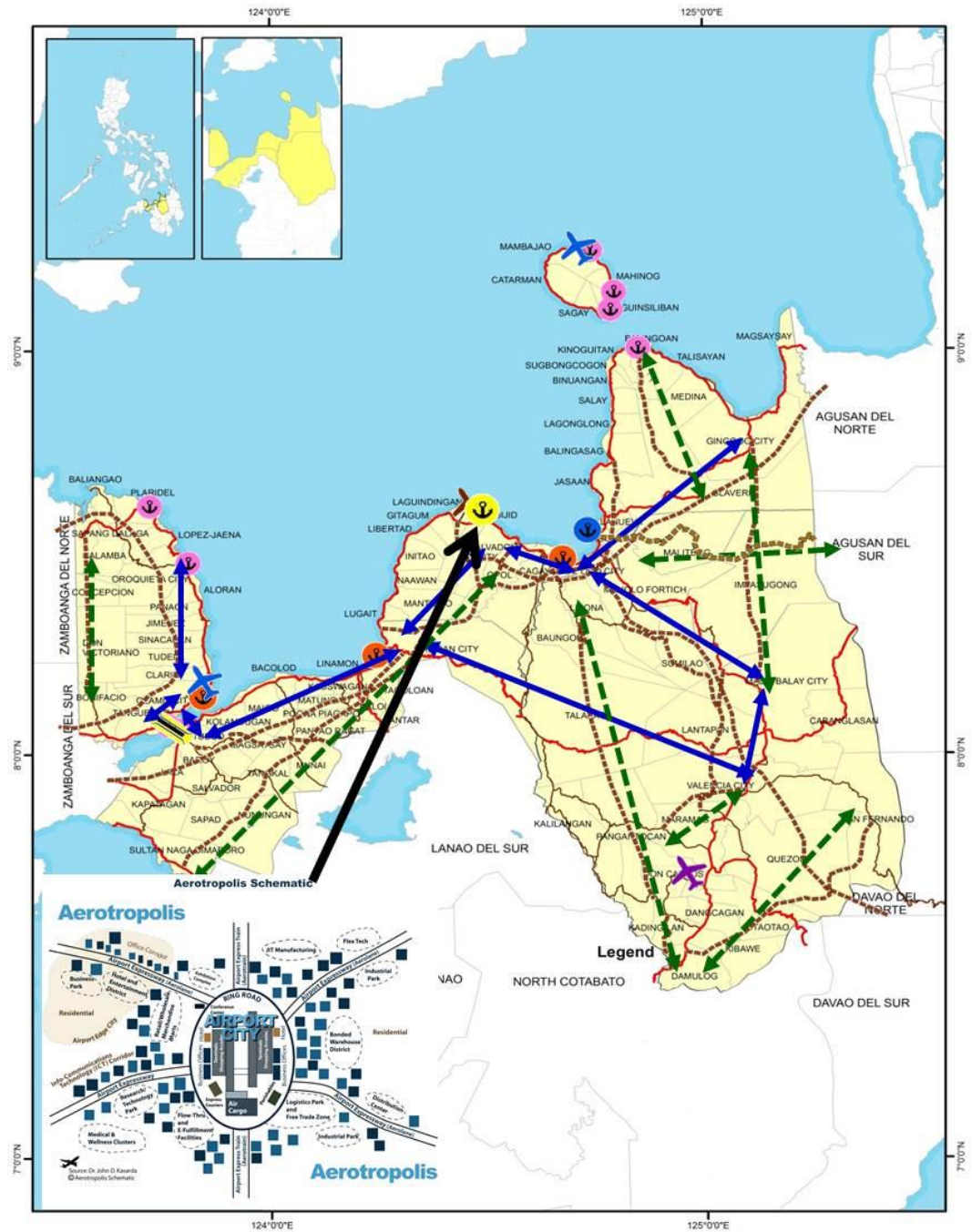
- Strict implementation of traffic rules and regulations;
- Information and education campaign and capacity building to improve road courtesy and discipline;
- Rationalizing the issuance of driver's license to ensure the capability of drivers and streamline the application process;
- Institutionalizing road safety and quick response;
- Provision of pedestrian lanes and its strict enforcement;
- Provision of special lanes for bicycles;
- Registration of *colurom* vehicles;
- Ensuring accessibility for the PWDs and senior citizens;
- Installation of lightings along highways and streets;
- Implementation of traffic management systems, including installation of CCTVs in strategic areas;
- Establishment of rest areas for long-haul travel for regular commuters and tourists (e.g., clean toilet facilities with water, convenient stores, lounge, etc.);
- Construction of slope protection along landslide prone areas;
- Construction of climate-proof roads and bridges;
- Year-round road maintenance and repair works; and
- Installation of road signage for public safety warnings.

*Map 19.3 Infrastructure Framework, Region X*





Map 19.4 Proposed Transport Solution, Region X



## **Subsector outcome 2: Improved good governance through ICT achieved**

### ***Strategy 1: Enhancing e-government system as a vital tool for good governance***

The Integrated Government Philippines (iGovPhil) Project shall be sustainably implemented so that government ICT infrastructure, systems and ICT-related procedures allow integrated government operations. The LGUs and government agencies shall take advantage of the seamless, convenient and affordable connectivity throughout the country from the national level down to the household to avail of government information and services. By the end of the plan period, all government agencies shall be interconnected to the iGovPhil network. The percentage number of provinces, cities and municipalities with institutionalized systems under the e-government portal shall be increased annually. These systems include the Business Permit and License System, Real Property Tax System, eBayad (Payment) System and eSerbisyo System.

### ***Strategy 2: Improving connectivity especially in the rural areas through enhanced ICT infrastructure support***

The National Broadband Network (NBN) plan, which contains the detailed physical targets and strategies to effect nationwide broadband deployment in the Philippines shall be implemented to address the connectivity gaps especially in the rural

areas. Cellular Mobile Telecommunications System towers shall be completely installed in the five unserved municipalities of Lanao del Norte Province. The Juan Konek Project shall be expanded so that free WiFi shall be easily accessed in public areas such as markets and terminals.

To further enhance connectivity and access to information particularly in the rural areas, the government shall sustainably pursue the expansion on the establishment of Community eCenters or Tech4ED centers. The centers shall function as an information hub in which clients (such as students, women, senior citizens, indigenous people, out-of-school youths and adults) can do research, learn new skills, and avail of government online services.

For a developing country, the low penetration of internet and broadband access shall be addressed to ensure substantial benefits of e-government systems. Thus, the government shall continue its pursuit of increased efficiency, convenience and less costly means in delivering government information and services to the people.

For the LGUs, e-governance system which seeks to increase revenues and improve business and investment processes is indispensable to ensure efficient and effective delivery of basic services. This is also a yardstick on how the LGUs manage their resources for the greater benefit of the people.

### *Subsector outcome 3: Improved water security achieved*

The subsector shall pursue a holistic and integrated management of water resources to promote equity, sustainability and efficiency. Promotion of ecological integrity as part of water resources management is vital.

#### **Strategy 1: Ensuring efficiency of irrigation systems to provide adequate water supply in farm areas**

Validation and review of the current service and potential irrigable areas in the region shall be conducted to ensure efficiency of the irrigation system. Moreover, strategies shall be identified particularly on the appropriate type of irrigation facilities given the terrain and topography of the area. A technical study and policy review shall be conducted on the possible coverage of high value crops for irrigation and the provision of irrigation facilities to multinational companies to ensure food security and self-sufficiency.

The provision of regular water supply and the construction of new irrigation systems, as well as repair, rehabilitation and improvement of existing irrigation systems shall be ensured to increase agricultural production and productivity. Likewise, financial support for land development shall be provided to the farmers to maximize utilization of irrigation systems.

#### **Strategy 2: Universal access to safe and potable water**

Active water loss reduction programs and projects shall be initiated and sustained by the National Water Resources Board (NWRB) to provide significant benefits to consumers and water utilities.

Provision of safe potable water shall be prioritized to waterless communities in the region. The implementation and construction of water and sanitation facilities shall be undertaken to ensure universal access to safe water supply.

Wastewater treatment projects shall be implemented to include the following: compliance monitoring, regulating waste water discharge, issuance of discharge permit, and monitoring of effluent and ambient water quality.

To improve water quality and promote public health, the Sewerage and Septage Management System shall be developed by the LGUs, consistent with the National Sewerage and Septage Management Program of the DPWH.

Establishment of rain harvesting facilities shall be pursued, not only for collecting and utilizing runoff water for production purposes, but also, as soil and water conservation measure.

Additional or alternative water sources shall be explored such as surface water for drinking, and for agricultural and industrial uses. Nevertheless, water sources shall be protected such that no development shall be

established within a 50-meter radius from the identified production well, as required by the DOH. Watersheds as the main source of water shall be properly managed to ensure environmental integrity. The limited water supply experienced during dry season or the El Niño phenomenon shall likewise be addressed.

#### **Subsector outcome 4: Improved energy security achieved**

Energy security and stability of power supply are imperatives in increasing competitiveness and productivity, as well as, in providing access to economic opportunities especially the rural population.

#### **Strategy 1: Enhancing the investment climate by ensuring energy security**

Investments in energy capacity shall be sustained to ensure availability, quality, and affordability of electricity. Energy security shall continue to enable the economic activities and improve the inflow of investments in the region. The priority investments along this strategy are the establishment of the Wholesale Electricity Spot Market in Mindanao, provision of assistance to electric cooperatives/companies on investment in embedded power, decentralization in the issuance of relevant permits for the construction of transmission lines and substations, enhancement of the community-based approach to secure transmission lines and rehabilitation, and upgrading of generation plants among others.

#### **Strategy 2: Harnessing renewable energy sources**

Region X supports the direction of the Philippine Energy Plan and the Philippine Development Plan in creating a future with less carbon, and the use of alternative fuels and renewable energy as intelligent choices. The renewable energy sources include biomass, solar, wind, geothermal, ocean energy, and hydropower, among others, which conform with internationally accepted standards and are consistent with Republic Act No. 9513, also known as the Renewable Energy Act of 2008.

To harness renewable energy shall mean to reduce dependence on imported oil, save government resources on foreign exchange, diversify fuel and to provide more environment-friendly alternatives to fossil fuels. It shall also include the conduct of techno-economic and viability study for expanded utilization of biodiesel (power generation, marine transport and industries) and resource assessment of other viable biofuel feed stocks.

The region shall promote the use of mature renewable energy technologies such as photovoltaic solar home systems, photovoltaic streetlights and micro-hydro systems. While promoting judicious utilization of RE technologies for rural electrification, house beneficiaries, as well as, beneficiary LGUs and ECs shall likewise be appropriately capacitated on the technical, social, management and organizational aspects of renewable energy technologies.



### **Strategy 3: Universal access to electricity**

*Sitio* and household electrification shall be intensified to attain universal access to electricity. Hence, an enabling environment shall be created wherein the electric cooperatives and companies shall buy power at competitive prices in the market even if this is not covered by existing power supply contracts.

The government shall expand access to electrification to low income families and those living in the rural areas or off-grid *sitios* which cannot be viably connected to the conventional grid of the distribution utilities or electric cooperatives. The region shall continue to develop and implement specific policy measures and financial incentives to mobilize distribution utilities to fasttrack the connections of the remaining un-electrified households in both electrified (load centers and urban areas) and un-electrified areas of their franchise areas. Moreover, the region shall continue to support the provision of grants to enable electricity connection of un-electrified poor households and *sitios*. Support and technical advice on the implementation of innovative strategies to intensify household electrification shall also be provided.

### **Subsector outcome 5: Access to adequate basic social infrastructure improved**

#### **Strategy 1: Ensuring access to basic social services through the provision of improved facilities**

**Health.** The establishment of additional climate-resilient hospitals and health facilities, especially in rural areas and geographically isolated and depressed areas shall be pursued for an equitable distribution of health facilities and services across the region.

Apart from the additional health facilities, the improvement, upgrading and functionality of hospitals and other health facilities shall be prioritized. The Health Facilities Enhancement Program shall focus on the upgrading of health facilities, as well as providing additional health professionals to improve access to quality health care services.

**Education.** In support to quality and accessible basic education for all, as well as close the gaps in the provision of adequate basic education facilities, the following strategies shall be pursued:

- Ensure smooth and effective implementation of the Regular School Building Program;
- Expansion of the Basic Education Facilities Fund to address classroom backlogs and needs, rehabilitation of school buildings and classrooms, as well as water and sanitation facilities;
- Provision of access to information through internet connectivity to further improve the learning process of pupils/students; and
- Sustain and promote Public-Private Partnership schemes to accelerate infrastructure development in the education sector.

**Other social services.** The construction/rehabilitation/upgrading of evacuation centers shall be pursued to provide safe shelter for people during disasters and other emergencies. The schools should be last resort for evacuation in order not to disrupt the classes. The evacuation centers shall comply with disaster-resilient design and standards, such as able to withstand category 5 winds and magnitude 8 earthquakes. The multi-purpose evacuation centers shall also serve as space for the community to gather and socialize during normal times.

Other disaster-resilient public buildings shall be constructed to include transport terminals, provincial/city/municipal buildings, public markets and sports complex. The LGUs shall be encouraged to sustain income generating infrastructure facilities for better service provision apart from the generation of additional sources of revenues.

## **Strategy 2: Improving resilience of communities to flooding and other natural hazards**

Flood Control and Drainage system masterplan shall be prepared for the cities and municipalities and these shall be implemented to improve the resiliency of communities to natural hazards and climate change.

The LGUs shall identify in their CLUPs the areas prone to hazards. Appropriate zoning ordinances shall be enforced such as no development on areas declared as no build zone. On urban areas, medium to high rise tenements and residential buildings shall be promoted. The LGUs shall embark on land banking for resettlement of families affected by hazards. Implementation of non-structural measures such as early warning systems, watershed management and capability building shall be pursued.

One of the major priorities of the region to improve resilience of communities to natural disasters is the implementation of the PHP8.6 Billion Flood Risk Management Project for Cagayan de Oro River (FRIMP-CDOR). Detailed engineering design (DED) is now being undertaken. The project shall address the concerns of the affected 1,087 families or 4,743 persons.

**Table 19.12 Summary of Affected Households and Persons (FRIMP-CDOR)**

	FORMAL	INFORMAL	TOTAL
No. of Households	201	886	1,087
No. of Individuals	867	3,876	4,743

Source: DPWH-X

# Legislative Agenda

## Information and Communication Technology (ICT)

Modernization of outdated ICT policy and regulatory framework shall be prioritized to address the lack of real competition in the telecommunications industry which resulted to low speed and high cost internet connectivity. Review and amendments on the following policies are deemed necessary:

- Commonwealth Act 146: The Public Service Law of 1936
- RA 7925: The Public Telecommunications Policy Act of 1995 which stipulates that access to internet shall be declared as a basic right
- RA 3846: The Radio Control Law of 1931, as amended
- Executive Order 109: The Service-Area-Scheme Policy of 1993

## Water Resources

*Enactment of a law creating a department for water resources or possible merging of water resources -related agencies/offices.* It shall be under the Office of the President to oversee, coordinate, and manage the overall planning, policy and program/project implementation and monitoring of water resources. This body shall address the weak and fragmented institutional set-up of the water resources subsector.

*Enactment of a law creating an independent Economic or Financial Regulator for Water Supply and Sanitation.* This body shall harmonize the regulatory practices, processes, fees on water supply and sanitation while addressing the overlapping functions or jurisdiction of existing regulatory offices and entities.

## Energy

*Amendments to RA 9136, the Electric Power Industry Reform Act.* The amendments shall improve the implementation of the law's provisions and enhance its effectiveness to address the high cost of electricity, alleged market collusion, and insufficient power supply. The law shall also consider the non-privatization of the Agus and Pulangi Hydropower Complexes and the creation of the Mindanao Power Corporation (MinPoCor).

*Enactment of a Law Declaring Energy Projects as Projects of National Significance.* This aims to expedite the timely completion of energy projects to help attain power supply stability and security and to cushion the impacts of high power rates.

*Enactment of a Law on Energy Efficiency and Conservation.* This aims to promote demand-side management and incentivize energy efficiency projects.

## **Social Infrastructure**

*Amendments to Republic Act 9003, the Ecological Solid Waste Management Act.* The amendments shall address the weak administrative, organizational and institutional aspects of the LGUs in implementing the SWM programs and projects.

The proposed amendments shall include among others, the mandatory creation of Local Environment and Natural Resources offices, and the identification of dedicated local SWM units with corresponding organizational structure, powers and functions.

# Results Matrix

*Table 19.13 Results matrix for accelerating infrastructure development*

OBJECTIVES/ RESULTS	0 TO 10 PT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR	BASELINE		ANNUAL PLAN TARGETS						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS	
				YEAR	VALUE	2017	2018	2019	2020	2021	2022					
Societal Goal: To lay down the foundation for Inclusive Growth, a High-Trust and Resilient Society, and a Globally Competitive Knowledge Economy																
Intermediate Goals: "Malasakit" Enhancing the social fabric, "Pagbabago" Reducing inequality, and "Patuloy na pag-unlad" Increasing potential growth																
Sector Outcome: Accelerated and strategic development of infrastructure																
Subsector Outcome: Connectivity and efficiency improved																
	Agenda 3, 5	Goals 2, 9, 11	Road density increased (km. of road per 100 sq. km. of land area) <sup>4</sup>													Favorable weather condition
			• Bukidnon	2015	75.87	77	80	84	89	95	98	100	LGU Agency reports	DPWH/ LGUs		
			• Misamis Occidental	2015	93.25	94	95	96	97	98	99	100				
			Average travel time decreased									LGU Agency reports	DPWH			
			Vehicle operating cost decreased									LGU Agency reports	DPWH			
			Percentage of roads accidents decreased	2015	9255	8330	7080	5664	4248	2974	1784	981	Agency report	DPWH LTO PNP	LTO intensifies advocacies on capacity building along Road	

<sup>4</sup> Provinces of Camiguin, Lanao del Norte and Misamis Oriental has already met the standard)

OBJECTIVES/ RESULTS	0 TO 10 PT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR	BASELINE		ANNUAL PLAN TARGETS						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
															safety rules and regulation
			Ships turn-around time (hours) reduced	2015	20	18	16	14	14	12	10	10	Agency report	PPA	
			Percentage of delayed and cancelled flights decreased										Agency report	CAAP	-Favorable weather condition -No air traffic congestion in Manila
			• Delayed/ month	2015	78	60	50	40	30	20	10	10			
			• Cancelled/ month	2015	10	9	8	7	6	5	2	2			
Subsector outcome: Improved good governance through ICT achieved															
	Agenda 3, 8	Goals 9, 11	Number of agencies/ cities/ provinces interconnected to the iGovPhil increased	No baseline		40	46						Agency report	DICT, NTC	
			Number of cities/ municipalities/ Provinces with access to Free Internet increased (Juan Konek/ Free Wifi)	No baseline		37		18		18	25	100%			

OBJECTIVES/ RESULTS	0 TO 10 PT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR	BASELINE		ANNUAL PLAN TARGETS						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
			Percentage of cities and municipalities with CMTS coverage increased	2015	64%	70%	76%	82%	88%	94%	100%	100%	Agency report		
			Average broadband speed (Mbps) increased	2015	3.5	To be determined*									
Subsector outcome: Improved energy security achieved															
	Agenda 3	Goals 2, 9, 11	Percentage of dependable capacity in the Mindanao Grid maintained	2015	80%	80%	80%	80%	80%	80%	80%	80%		DoE	
			Percentage of households with electricity increased	2015	86.75%	90%	92%	94%	96%	98%	100%	100%		NEA, DUs/ Electric Companies	-Unbated siltation of reserves that supply water to HEPs. -Sustainable watershed management
			Percentage of sitios energized increased	2015	78%	82%	86%	90%	94%	98%	100%	100%			-Stable peace and order situation on unserved areas

OBJECTIVES/ RESULTS	0 TO 10 PT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR	BASELINE		ANNUAL PLAN TARGETS						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS	
				YEAR	VALUE	2017	2018	2019	2020	2021	2022					
Subsector Outcome: Improved water security achieved																
	Agenda 3, 5	Goals 2, 11	Irrigation  Percentage of level of irrigation development increased	2015	58.62%	60.14%	61.69%	63.20%	64.19%	65.26%	66.74%	66.74%	Agency report	NIA	-unbated siltation of rivers that supply water to irrigation systems -regular maintenance of irrigation facilities	
	Agenda 3	Goals 3, 6, 11	Water supply													
			Percentage of HHs with access to safe water increased	2015	94.05%	95.0%	95.5%	96.0%	96.5%	97.0%	97.5%	97.5%	Environmental report/ Agency report	DOH, DILG	-Sustainable watershed management	
	Agenda 2	Goals 9, 11, 12	Flood Management													
			Zero casualties due to flooding events attained	2015	11	0	0	0	0	0	0	0	0	LGU and Agency Reports	LGU, DPWH, OCD	
			Economic losses due to natural hazards reduced	2011	1.240 billion	To be determined*						LGU and Agency Reports	LGU, OCD			
Subsector outcome: Access to adequate basic social infrastructure improved																



OBJECTIVES/ RESULTS	0 TO 10 PT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR	BASELINE		ANNUAL PLAN TARGETS						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
			Percentage of schools with access to water and sanitation facilities increased												
			Elementary/ Primary	2015	85.23%	88%	90%	93%	95%	98%	100%	100%	EBEIS	DepEd	
			Secondary/ Junior High School	2015	91.45%	93%	94%	96%	97%	99%	100%	100%	EBEIS		
			Senior High School												
			Percentage of schools with connection to electricity increased												
			Elementary/ Primary	2015	90.49%	92%	94%	95%	97%	98%	100%	100%	EBEIS	DepEd	
			Secondary/ Junior High School	2015	95.44%	96%	97%	98%	98%	99%	100%	100%	EBEIS		
			Number of schools with access to ICT increased												
			Elementary	2015	2,800	2,842	2,885	2,929	2,973	3,018	3,078	4,000	Div. ICT Coordinators	DepEd	
			Secondary/ Junior High School	2015	1,551	1,582	1,614	1,646	1,679	1,713	1,747	2,500	Div. ICT Coordinators	DepEd	
		Goals 3, 11	Health												
			Rural Health Unit to population ratio improved (standard=1: 20,000)	2015	1:33,171	1:31,949	1:29,157	1:26,451	1:24,110	1:21,927	1:19,937	1:19,937	Agency reports	DOH, LGU	-Adequate financing/ allocation of LGUs for health services -Adequate subsidy/ allocation of the DOH to the LGUs -Areas with gaps in health are prioritized.

OBJECTIVES/ RESULTS	0 TO 10 PT SOCIO- ECONOMIC AGENDA	SDG	INDICATOR	BASELINE		ANNUAL PLAN TARGETS						END-OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
			Number of RHU constructed	2015	86	7	11	13	14	16	18	165			
	Agenda 3	Goals 11, 12	Solid Waste Management												
			Number of cities/ municipalities served by sanitary landfill	2015	6	8	8	8	8		10	58		EMB	-LGUs compliant to RA 9003 -LGUs practice 3Rs waste segregation
			Number of barangays served by Materials Recovery Facility	2015	737	33	33	33	33	33	33	935			

*\*To be determined with concerned agencies and/or LGUs, and will be submitted to the RDC-X Infrastructure Development Committee*

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Ensuring Ecological  
Integrity, Clean and  
Healthy Environment



# Ensuring Ecological Integrity, Clean and Healthy Environment

The environment and natural resources sector is very significant to the region's and country's development as it provides the ecosystem services<sup>1</sup> needed to support the growth and performance of the economy's agriculture, fisheries, forestry, industry and services sectors. The progress and well-being of the people, dependent on these ecosystem services, are also at stake. It has been reported that the provision of these critical services, including the maintenance of healthy and good quality environment, has been increasingly compromised due to severe degradation of the country's environment and natural resources from mismanagement, misuse and overexploitation.

It is in this light that the RDP 2017-2022 shall embark on strategies, programs, projects, activities, and some legislations geared toward ensuring ecological integrity, and improving socio-economic conditions of resource-based communities.

## Assessment

### **Natural resources conserved, protected, rehabilitated and sustainably managed**

*Forest resources management.* As the banner program on sustainable forest management during the Plan period 2011-2016, the National Greening Program's (NGP) reforestation activities for 2011 to 2015 resulted to the rehabilitation and development of 74,784 hectares of open, denuded forestland, and mangrove areas into productive forest, and agro-forestry plantations that benefitted 21,194 individuals nationwide. The actual number of hectares covered exceeded the target for

2011 to 2015 by 28 percent. Close cooperation between and among the DENR, LGUs, people organizations, and other stakeholders facilitated this achievement.

In addition to reforestation under the NGP, parallel efforts against illegal forest activities in the region during 2011-2015 resulted to the confiscation of 5,000 cubic meters of illegally cut or gathered forest products, and confiscation of conveyances, chainsaw, and other implements. As of 2015, a total of 92 cases have been reported filed and decided.

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<sup>1</sup> These include provisioning services such as food and water; regulating services such as flood and disease control; cultural services such as spiritual, recreational, and cultural benefits; and supporting services such as nutrient cycling that maintain the conditions for life on Earth (<http://www.greenfacts.org/glossary/def/ecosystem-services.htm>)

As targeted, the region should have a forest cover of 28.3 percent by 2015. As reported in the 2015 Philippine Forestry Statistics (PFS) of the DENR, however, the latest data on the national, regional and provincial forest cover is still as of 2010. In the said year, the region had a total forest cover of 378,650 hectares. The percentage forest cover would depend on the value of the region's land area to be used. While the official total land area of the region is 1,714,803 hectares as determined by the NAMRIA, what is currently used for planning purposes is 2,018,617 hectares (DENR-X) because it is this value that has the municipal breakdown. Hence, the 2010 percentage forest cover would either be 22 percent of the region's land area if the value of 1,714,803 hectares is applied, or 19 percent if 2,018,617 hectares is otherwise applied.

*Biodiversity protection and conservation.* Biodiversity conservation efforts, particularly in halting the extinction of targeted five threatened species of wild flora and fauna, reported 100 percent accomplishment over the three-year period, that is, 2013-2015. The covered species are Philippine Eagle, tarsier, flying fox, Hawksbill turtle, sea turtle, and Rafflesia. In the pursuit of improving the Philippine Eagle's population in the region, the bird's population increased from 14 in 2013 to 17 in 2015, which was only about 47 percent of the annual target for the period 2013-2015. Illegal trading, hunting and habitat destruction were cited as among the factors

that hindered the achievement of the targets.

*Coastal and marine resources management.* Protection and rehabilitation efforts for the region's coastal and marine resources resulted to the establishment of nine Marine Protected Areas (MPAs) during 2013-2015, exceeding the targeted number of six MPAs for the period. Strengthened collaborative efforts among the DENR, LGUs, and communities facilitated in achieving the targets.

*Land administration.* Significant accomplishments have been reported along improvement of land administration during the period 2013-2015. During said period, landholders of 8,223 lots in public agricultural A&D lands have been accorded with secured land tenure, exceeding the target for the period by 16 percent. During the same period, landholders of 10,482 lots in residential lands have been provided with security of tenure, exceeding the target by one percent. Strengthened IEC undertaken by DENR facilitated such accomplishment.

*Protected areas management.* Along management of the region's protected areas, regular protection activities have been pursued in the region's listed 10 sites under the NIPAS (National Integrated Protected Areas System)<sup>2</sup>. These sites consist of seven proclaimed areas (by presidential action) and three declared areas (by congressional legislation but with prior presidential proclamation). Of these 10 sites, seven are natural monuments or

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<sup>2</sup> The other enrolled PA sites, based on DENR-BMB Technical Bulletin No. 2013-01, dated 10 January 2013 (*List of Protected Areas Under the National Integrated Protected Areas System (NIPAS)*), are the initial components, namely, (1) Mangrove Areas from Liangan River up to Lipatan River in Lanao del Norte, (2) Bo. Bagumbang to Malautan River in Ozamiz City, and (3) the proposed to be disestablished Mahuganao Watershed Forest Reserve in Cagayan de Oro City.

mountain ranges, and three are under the category of protected landscape and/or seascape (PL/PLS). In 2015, Mt. *Timpoong Hibok-hibok* Natural Monument in the Province of Camiguin was declared as ASEAN Heritage Park, which brings to three the region's NIPAS sites to be enrolled in the ASEAN Heritage Park List in 2011, namely, Mt. *Kitanglad* Range Natural Park (Bukidnon) in 2009 and Mt. *Malindang* Range Natural Park (Misamis Occidental).

In 2015, the terrestrial protected areas (PAs) patrolled and managed totaled 163,090 hectares. Overall total of the region's protected areas and their buffer zones was estimated at 165,435 hectares, roughly equivalent to eight percent of the region's total land area of 2,018,617 hectares.

*Mineral resources management.* The compliance rate of all large-scale mining contractors or permittees to their approved Safety and Health, Environment and Social Programs (SHES) was at 99.86 percent each year from 2013 to 2015, exceeding the annual target by 9.86 percentage points for 2013, and 4.86 percentage points each for 2014 and 2015.

## **Environmental quality for cleaner and healthier environment improved**

*Air quality.* Regional efforts along management of air quality were continuously pursued in major urban areas. In 2014, the Continuous Ambient Air Quality Monitoring Station – Particulate Matter System located at the Iligan Medical Center College started operation in Iligan City. The system can measure particulate matters that are 10 micrometers in diameter (PM<sub>10</sub>), and even the finer particles measuring 2.5 micrometers in diameter (PM<sub>2.5</sub>).<sup>4</sup> Report for 2015 indicated ambient air quality to be within the 24-hour national guideline value for PM<sub>10</sub>. It should be noted that air quality monitoring within the Metro Cagayan de Oro airshed, through the installation of a telemetry system in downtown Cagayan de Oro, has been non-operational for several years, and is considered for reinstallation in 2016 or early 2017.

*Water quality.* In the “Water Quality in the Philippines (2008-2015)” Report, the BOD or biological oxygen demand levels of Cagayan de Oro River consistently met its criterion (i.e., 5 mg/L) from about 4.7 mg/L in 2011 to about 1 mg/L in 2014. The BOD level in 2014 was 54 percent lower than the RDP's BOD target level for that year, which means a cleaner river. The BOD determines the concentration of oxygen required for

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<sup>3</sup> 2015 Philippine Statistical Year Book and 2015 Philippine Forestry Statistics

<sup>4</sup> Particle pollution, also called particulate matter or PM, is a mixture of solids and liquid droplets floating in the air. Some particles are released directly from a specific source, while others form in complicated chemical reactions in the atmosphere. Particles come in a wide range of sizes. Particles less than or equal to 10 micrometers in diameter are so small that they can get into the lungs, potentially causing serious health problems. Ten micrometers is less than the width of a single human hair. Coarse dust particles (PM<sub>10</sub>) are 2.5 to 10 micrometers in diameter. Sources include crushing or grinding operations and dust stirred up by vehicles on roads. Fine particles (PM<sub>2.5</sub>) are 2.5 micrometers in diameter or smaller, and can only be seen with an electron microscope. Fine particles are produced from all types of combustion, including motor vehicles, power plants, residential wood burning, forest fires, agricultural burning, and some industrial processes. (Source: <https://www.airnow.gov/index.cfm?action=aqibasics.particle>. Retrieved on April 1, 2017)

the decomposition of organic matter from a pollution source, that means a lower BOD value indicates a lesser degree of organic pollution.

*Solid waste management.* The compliance of LGUs to Republic Act 9003 (Ecological Solid Waste Management Act of 2000) continued to be a challenge during the period 2013-2015. Among its provisions is the closure of open dumpsites or common dumpsites (ODs/CDs), and their replacement with sanitary landfill. As of October 2015, only 20 ODs/CDs, or 21.5 percent of the listed 93 ODs/CDs regionwide have been closed, the rest are in partial stages of decommissioning.

In terms of establishing sanitary landfill (SLF) as required by RA 9003, the region has a total of four SLFs as of September 2015. Of these SLFs, two are fully operational located in the municipality of Damulog, Bukidnon, and in the province of Camiguin, serving the island's five municipalities; one on partial use which is under construction in Maramag, Bukidnon; and another one under construction in Ozamiz City. The region's two operational SLFs are among the 86 existing operational SLFs nationwide as of year 2015.<sup>5</sup>

Among the issues that hindered the establishment of SLFs in the areas that are initially selected by the LGUs, is the low potential for development of these areas into SLFs as determined in the suitability assessments conducted. This condition is further complicated by the reluctance of LGUs to invest on solid waste management (SWM) projects or facilities because of the

perceived high expense in the development and maintenance of SLFs, and the lack of expertise on SWM among the LGU personnel.

### **Resilience of natural system enhanced with improved adaptive capacities of human communities**

*Mainstreaming DRRM and CCA at the local levels.* With the assistance from the national government, all the five provinces, and eight of the nine cities in the region have mainstreamed disaster-risk reduction and management (DRRM), and climate change adaptation (CCA) in their respective provincial development and framework plans, and city comprehensive land use plans.

*Enhancing resiliency of natural systems.* Master plans for the following six major river basins of the region have been prepared, namely, 1) Cagayan de Oro River Basin; 2) Tagoloan River Basin; 3) Ranao River Basin; 4) Davao River Basin; 5) Pulangui River Basin; and 6) Mindanao River Basin. The challenge now is the implementation and monitoring of these master plans.

*Improving adaptive capacities of communities.* Under the National Geohazard Mapping and Assessment Program, the geohazard mapping and assessment of the cities and municipalities of the region, which started with the 1:50,000 scale mapping that was further enhanced to 1:10,000 scale mapping, was completed in 2014. Printing of the 1:10,000 maps indicating the flood and landslide

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<sup>5</sup> National Solid Waste Management Commission (NSWMC), 2014



prone areas is ongoing. Printed and electronic copies of the city and municipal maps were already distributed to the

provinces of Lanao del Norte, Camiguin, and Misamis Oriental.

## Challenges

The overall challenge of the sector is to sustain or even surpass the gains that have been achieved, and improve on those that were not fully achieved in the past planning period, along the areas of sustainable natural resources management, improved quality environment and enhanced resiliency of natural systems and adaptive capacity of the communities against natural calamities.

To help overcome this overall challenge, the following need to be addressed:

*Technical constraints.* Among the challenges in development planning, monitoring and evaluation is availability and consistency of data. Forest cover is used in computing percentage of forest cover to the total area of a planning unit (national, regional, provincial and municipal) as an indicator of sustainably managed forests. A more debatable issue is the value of total land area (regional, provincial, and municipal) to be used in the computation. While for some time, the total land area of Region X, as indicated in the Philippine Statistical Year Book and Philippine Forestry Statistics, is 1,714,803 hectares, but what is currently used in regional and provincial planning is the 2,018,617-hectare figure. The reason for this is that the NAMRIA has not yet provided the municipal breakdown of the regional land area. Land area is a significant factor not only in computing percentage forest cover,

but, in the LGUs' share of internal revenue allotment (IRA).

Related to the foregoing, there is the need to review what performance indicators should be used to determine the effectiveness of government efforts, and to evaluate how the benefits derived from projects are shared among stakeholders. For example, the indicators on the resiliency of natural systems, and the adaptive capacity of communities to natural disasters are lacking, and do not adequately gauge the desired resiliency and adaptive capacity. The lack of indicators, together with unavailability of baseline data, makes identification of appropriate investments more challenging for the government.

*Governance of environment and natural resources (ENR) needs further enhancement.* Governance and institutional capacity should be further enhanced to ensure stricter implementation of laws and regulations. For instance, the low compliance of the LGUs with Republic Act 9003 (Ecological Solid Waste Management Act of 2000), particularly the establishment of sanitary landfills, has been attributed to lack of or shortfall in financial, institutional, and technical capabilities.

*Conflicting policies.* With the numerous laws, policies, and regulations pertaining to the ENR sector, implementation of these has been challenging. Common problems

are overlapping and contradicting provisions, leading to conflicting priorities in terms of resource use, land use, water use, and land tenure. For example, a World Bank article<sup>6</sup> stated that, “Under current legislation, sectors and activities affecting the coastal environment are regulated through fragmented legislative mandates.” It further reported that, “In total, more than 20 government units exercise separate management powers and mandates over coastal uses and sectors. Other government bodies also serve as advisory and recommendatory councils.”

Similarly, a study entitled “Legal Framework for Protected Areas: Philippines”<sup>7</sup> reported that the problems it identified are essentially concerning inconsistencies and overlaps between the NIPAS Act and other related laws which in turn create confusion regarding the powers and responsibilities of particular institutions. Notable among these conflicts, as reported, is the one related to the ancestral domain claims of indigenous peoples, and NIPAS Act-designated protected areas.

*The need to strengthen incentive mechanisms to protect and conserve the environment.*

Natural forests and tree-based land uses are important not only because of the critical role they play in providing adequate

quantity and quality of water to consumers/users. Their role is also important in maintaining high biodiversity of flora and fauna and also in contributing to reduction of global warming. Unfortunately, land use decisions in a big part of the uplands/watersheds are private decisions, made by farmers whose main concern are benefits that accrue to their households in terms of returns from land-based production and forest-extraction activities.<sup>8</sup>

According to the PES project collaborators, among the main challenge in pursuing the PES scheme in selling the ecosystem services, is overcoming the mindset that people buy for goods, and not for something that is not concrete, such as fresh air.

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<sup>6</sup> <http://siteresources.worldbank.org/INTPHILIPPINES/Resources/PEM05-ch5.pdf>

<sup>7</sup> <http://cmsdata.iucn.org/downloads/philippines.pdf>

<sup>8</sup> Environmental Service “Payments”: Experiences, Constraints and Potential in The Philippines (H Arocena-Francisco)

## Strategic Framework

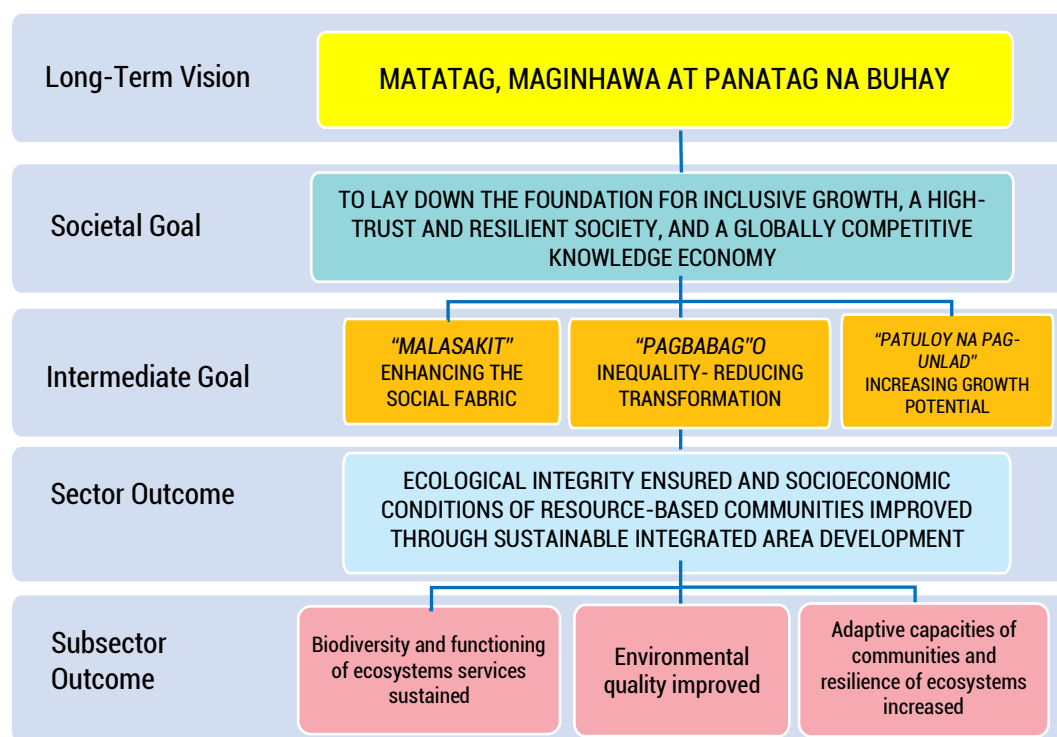
In the next six years, the environment and natural resources sector envisioned to have ecological integrity ensured, and socioeconomic conditions of resource-based communities improved through sustainable integrated area development. To achieve this, the following three outcomes should be pursued: 1) functioning of ecosystem services sustained; 2) environmental quality improved; and 3) adaptive capacities of communities and resilience of natural ecosystems increased (Figure 20.1). Realizing these outcomes is envisaged to contribute to an ensured ecological integrity, and improved socioeconomic condition of communities. Also, it would be the sector's contribution to the attainment of Goal 14 (Conserve and sustainably use the oceans, seas and marine resources for sustainable development), and Goal 15 (Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation, and halt biodiversity loss) of

the United Nation's post-2015 development agenda, otherwise known as 2030 Sustainable Development Goals (SDGs).

In attaining these desired outcomes, the sector shall, among other strategies, intensify protection and sustainable management of forest, watershed, coastal and marine, and land (adopting ridge-to-reef approach); ensure conformity of air and water quality within the environmental standards; mainstream further DRRM and CCA into the development processes at the local levels; and implement identified climate change mitigation and adaptation strategies for key ecosystems.

To complement the foregoing strategies, cross-cutting schemes, involving technology, research and development, and extension; governance; knowledge management; and sustainable financing schemes and mechanisms shall also be used to help ensure in accomplishing the desired outcomes.

**Figure 20.1 Strategic framework for ensuring ecological integrity, clean and healthy environment**



### **Subsector outcome 1: Biodiversity and functioning of ecosystem services sustained**

The environment and natural resources shall be protected and conserved in order to sustain the quality and quantity of ecosystem services and products it supplies to agriculture, industry, services, and the people for the present and future demand. Hence, it is very important to sustain the functioning of various ecosystem services through the following priority strategies: 1) intensify protection and sustainable management of forest, watershed, coastal and marine, and land (adoption of ridge-to-reef approach); 2) expand development of

ecotourism sites and resource-based enterprises or industries; and 3) mainstream ecosystem values into national, regional, and local development planning.

### **Strategy 1: Intensify protection and sustainable management of forest, watershed, coastal and marine, and land (adoption of ridge-to-reef approach)**

The ‘Ridge-to-Reef’ (R2R)<sup>9</sup> is an integrated approach to land, water, forest, biodiversity, and coastal resource management to maintain and enhance ecosystem goods and

<sup>9</sup> Source: <https://sustainabledevelopment.un.org/partnership/?p=7315>

services<sup>10</sup> that contribute to poverty reduction, sustainable livelihoods, and climate resilience.

More specific strategies shall be applied to the following ecosystems:

#### **Forests and watersheds**

- a) Reverse the loss of forest cover through sustained rehabilitation of degraded forestlands, and watersheds;
- b) Improve maintenance and monitoring of rehabilitated forest areas;
- c) Strengthen protection of remaining natural forests;
- d) Delineate final forest limits, including production and protection forests;
- e) Effectively manage the protected areas inclusive of both NIPAS and non-NIPAS areas;
- f) Strengthen sustainable management through issuance of appropriate tenure and management arrangement;
- g) Provide sound basis for managing forests and forests lands; and
- h) Establish support mechanisms to preserve the integrity of the forests and watersheds along interregional boundaries, such as Bukidnon-Agusan, Bukidnon-Davao, Bukidnon-Cotabato, Bukidnon-Lanao del Sur, and Misamis Oriental-Agusan networks.

#### **Coastal and marine**

- a) Intensify sustainable management through the policing and patrolling activities within Marine Protected Areas (MPAs) including MPA networking;
- b) Implement integrated coastal and marine resources (mangroves, coral reefs, seagrass, etc.) management, including coastal resource mapping and assessment; and
- c) Complete delineation of municipal waters.

#### **Land**

- a) Improve land administration and management

#### **Across Ecosystems**

- a) Ensure compliance of mining industry with laws and policies on environmental conservation, protection, and rehabilitation; and
- b) Rationalize the use and extraction of minerals for regional and national development.

The following are among the programs, projects, and activities that will carry out the foregoing strategies:

- a) National Greening Program;
- b) Maintenance and Protection Program;
- c) National Forest Protection Program;
- d) Strengthening the operation of Protected Area Management Board;

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<sup>10</sup> Ecosystem services are grouped into four broad categories: provisioning, such as the production of food and water; regulating, such as the control of climate and disease; supporting, such as nutrient cycles and crop pollination; and cultural, such as spiritual and recreational benefits. (Source: [https://en.wikipedia.org/wiki/Ecosystem\\_services](https://en.wikipedia.org/wiki/Ecosystem_services). Retrieved: April 1, 2017)

- e) Issuance of the following tenure instruments:
  - Community-Based Forest Management Agreement (CBFMA) for CBFM
  - Certificate of Ancestral Domain Claim or Title (CADT/CADC) for Indigenous Peoples Rights Act (IPRA)
  - Co-management agreement for the devolution of forest governance through LGUs
- f) Preparation of forest land use plans;
- g) MPA strengthening and networking (including water quality monitoring);
- h) Provision of technical assistance on integrated coastal management;
- i) Delineation of municipal waters;
- j) Land surveys, disposition, and records management;
- k) Environmental protection, and enhancement program or the preparation and approval of final mine rehabilitation and development plan (EPEP/FMRDP);
- l) Responsible mining industry development program

## **Strategy 2: Expand development of ecotourism sites and resource-based enterprises and industries**

Most of the poor people are still found in rural areas.<sup>11</sup> These poor rural people, which include upland and coastal communities, are dependent on natural capital (i.e., land and environment) for their livelihood. Since the kind of activities they are doing, using these natural resources are

primary in nature, there is a need to level up these activities towards value adding to increase their income. Additional income could also be derived, while contributing to conservation of the natural resources in rural areas, by developing ecotourism products and services.

Specific strategies shall include the following:

- a) Promote sustainable forest-based (timber and non-timber) industries;
- b) Promote and develop ecotourism sites; and,
- c) Adopt agroforestry system in suitable areas.

Among the programs, activities, and projects that will operationalize these three strategies are as follows:

- a) Establishment of the Philippine Forest Certification System;
- b) Ecotourism development program; and,
- c) Agroforestry program

## **Strategy 3: Mainstream ecosystem values into national, regional, and local development planning**

Given the wide range of services and products that the natural resources provide, it is important that their accounting and valuation be mainstreamed in the development planning. As pointed out in an OECD document<sup>12</sup> that “While being the foundation of economic activity and development, natural capital (encompassing natural resource stocks,

<sup>11</sup> Asian Development Bank (ADB).2009. *Poverty in the Philippines: causes, constraints, and opportunities*. Manila

<sup>12</sup> Organization for Economic Co-operation and Development (OECD).2011. *The Economic Significance of Natural Resources: Key points for reformers in Eastern Europe, Caucasus and Central Asia*.

land, and ecosystems) is often undervalued and mismanaged.” The same document argued that proper valuation and accounting of natural resources are necessary for robust development planning. As it is said that “getting prices right” for natural resources is of utmost importance for more sustainable management, and long-term benefits from resource-related wealth.

One specific strategy that can be used along mainstreaming ecosystem values in development processes is promoting the adoption of Payment for Ecological Services (PES) in environmental management, including the replication of best PES practices in existing PES areas to other areas. The PES program for protected areas and watersheds can be sustained by building on the best practices of existing initiatives.

### **Subsector outcome 2: Environmental quality improved**

Pertinent laws for clean and healthy environment have been in existence for some time now. What is needed is stricter enforcement and regulation. Hence, particular strategies shall be more focused on strengthening enforcement, and compliance with environmental standards and safeguards through close monitoring and capacity building of implementers by providing technical and capital assistance.

#### **Strategy 1: Ensure conformity of air and water quality within the environmental standards**

- a) Establish and maintain required number of air and water quality

monitoring stations, especially in major urban centers and major rivers;

- b) Strengthen enforcement of anti-smoke belching campaign, and vehicle emission testing;
- c) Intensify monitoring of compliance, and strict implementation of environmental laws on waste management (e.g., RA 9003);
- d) Increase the capacity of LGUs and industries to comply with environmental laws on waste management (e.g., operationalization of MRFs, drafting and implementation of local solid waste management plans); and
- e) Strengthen enforcement of air quality standards among industry players.

The foregoing strategies shall be operationalized through the following programs, activities, and projects:

- a) Installation, operation, and maintenance of air and water quality monitoring stations in major urban centers and major/priority rivers;
- b) Implementation of the “*Linis Hangin*” Program;
- c) Establishing and operationalizing airsheds, and water quality management areas (WQMAs);
- d) Monitoring program on LGUs’ compliance to RA 9003;
- e) Capital and technical assistance to LGUs and industries on compliance with RA 9003;
- f) Shared sanitary landfill among cluster of municipalities; and
- g) Preparation of city/municipal solid waste management plans.



### *Subsector outcome 3: Adaptive capacities of communities and resilience of ecosystem increased*

The DRR-CCA Enhanced 2013-2040 Northern Mindanao Physical Framework Plan cited that based on the report by the UN, the Philippines ranked third in the list of countries most at risk to climate change. Reportedly, the country has high exposure to climate change related hazards, such as sea level rise, increase in surface air temperature, and changes in intensity, and number of tropical storms.

The same framework plan recognized that the impact of climate change to the region's development prospects is very apparent and not adapting to it would increase the vulnerability of the regions, particularly the poor communities. A warmer climate will affect ecosystems and sectors, with agriculture, forestry, water resources, coastal resources, and human health being considered as most vulnerable to climate change.

The framework plan elaborated further that disasters certainly have serious implications to the region's ecosystems and sectors, most especially to those which have high exposure and sensitivity. Accordingly, climate change is closely associated with disaster risks as the latter aggravates the number and scale of disasters. Prolonged drought episodes will severely affect the agriculture sector, and the people who depend on it. Large decreases in rainfall will also adversely affect the watersheds which provide irrigation to farms, and water to the region's hydropower facilities. Conversely, more intense tropical storms coupled with sea level rise, will cause serious flooding,

especially in low-lying areas and coastal communities in the region. The poor living in these areas, and those who have limited capacity to reduce the impact of disasters, will experience strain to their livelihood, access to basic services as well as shelter.

From 2017 to 2022, the region shall continue to mainstream DRR and CCA concerns in the development processes at the local level for the communities to enhance their adaptive capacities, and implement interventions to enhance resiliency of the ecosystems.

#### **Strategy 1: Mainstreaming DRRM and CCA at the local levels**

This involves continuing technical assistance and capability program for mainstreaming DRRM and CCA in local development processes, such as updating the provincial development and physical framework plans, and the cities and municipalities' comprehensive land use plans and zoning ordinances; investment programming, and budgeting.

#### **Strategy 2: Implementation of developed climate change mitigation and adaptation strategies for key ecosystems**

This particular strategy calls for the implementation of master plans of Cagayan de Oro River Basin (CDORB), Tagoloan River Basin (TRB), Ranao River Basin (RRB), Davao River Basin (DRB), and Mindanao River Basin (MRB).



### *Crosscutting strategies*

The following strategies that would cover the entire environment and natural resources sector shall also be applied: a) technology, research and development, and extension; b) governance; c) knowledge management; and d) sustainable financing schemes and mechanisms.

Among the programs, activities, and projects that will implement the foregoing strategies are as follows:

a) Research and development on conservation and sustainable management of natural and plantation forests including CCA measures;

- b) Promotion and dissemination of technologies for sustainable ENR management, and CCA to communities and other stakeholders;
- c) Capacity building for LGUs along environmental law enforcement and compliance;
- d) Firming up the values of municipal land area based on the results of the cadastral survey;
- e) Updating of values of provincial forest cover;
- f) Updating of provincial and municipal land cover maps and statistics;
- g) Establish unified GIS-based mapping system; and
- h) Technical assistance to LGUs in accessing “Green Fund”.

## Legislative Agenda

1. Passage into law the bills on the National Land Use Act (NLUA) and the Sustainable Forest Management Act (SFMA)

NLUA, once enacted, shall provide for a rational, holistic and just allocation, utilization, management and development of the country land resources to ensure their optimum use consistent with the principle of sustainable development.

SFMA, on the other hand, shall provide an environment for sustainable management of forest ecosystems to enhance forest ecosystems services, mitigate, and adapt to anticipated climate change impacts, and reduce poverty in forestlands.

2. Enacting into law finally declaring proclaimed areas as part of the NIPAS (e.g., Mt. Kalatungan NP, Mt. Balatukan Range NP, Mt. Inayawan NP);

Congressional legislative enactment of protected areas proclaimed by the President is provided under DENR Administrative Order No. 2008-26, the revised implementing rules and regulations of Republic Act No. 7586 or the National Integrated Protected Areas System (NIPAS) Act Of 1992.

3. Passage of national and local laws providing sustainable financing for environmental protection, conservation, and management;

Government programs are saddled with financial constraints. Funding support for watershed management has been insufficient to cover all important watersheds.

4. Passage into law the bill adopting the results of the national cadastral survey

A cadastral survey determines the administrative boundary of a city or a municipality and its component barangays, including the boundary lots in alienable and disposable lands of the public domain for purposes of land titling.

5. Further review and harmonization of environmental laws to help ensure more effective environmental governance

There is a need to review and harmonize a number of conflicting and overlapping policies. A case of policy conflict is that between forest protection laws, and the Agriculture and Fisheries Modernization Act (AFMA). The AFMA encourages agriculture expansion into the uplands, including forestlands through the creation of Strategic Agriculture and Fisheries Development Zone (SAFDZs) that promote the production of high value crops, such as coconut, pineapple, and sugarcane.

A World Bank article stated that “Under current legislation, sectors and activities affecting the coastal environment are regulated through fragmented legislative mandates.” It further reported that “In total, more than 20 government units exercise separate management powers and mandates over coastal uses and sectors. Other government bodies also serve as advisory and recommendatory councils.”

6. Passage into law House Bill No. 5948 and Senate Bill No. 2179, seeking to Establish a National Coastal Greenbelt Program

Coastal greenbelt as defined in HB 5948 and SB 2179 is a strip of natural or planted coastal vegetation, stretching at least 100 meters in width from the sea towards land, primarily of mangrove and beach forest species, which are designed to prevent coastal erosion, and mitigate the adverse impacts of natural coastal hazards on human lives and property. As indicated in the introductory portion of HB No. 5948, coastal greenbelt has the following specific benefits: a) wave height of wind and swell waves can be reduced by 13-66% per 100 meters of mangroves; b) reduce flooding impact, i.e., storm surge heights is reduced by 5-50cm/km; c) reduce tsunami flood depth by 5% to 30%; and d) prevent soil erosion.

# Results Matrix

*Table 20.1 Results matrix for ensuring ecological integrity, clean and healthy environment*

OBJECTIVES/ RESULTS	0 TO 10-PT. SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		ANNUAL PLAN TARGETS						END- OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
Societal goal: To lay down the foundation for inclusive growth, a high-trust and resilient society, and a globally competitive knowledge economy															
Intermediate goal: Enhancing the social fabric (Malasakit), reducing inequality (Pagbabago) and increasing potential growth (Kaunlaran)															
Sector outcome: Ecological integrity ensured and socioeconomic condition of resource-based communities improved															
Subsector outcome 1: Functioning of ecosystem services sustained		Goal 15	Proportion of land area covered with forest increased	2015	28.3%	29.6%	30.9%	31%	32%	33%	34%	35%	Philippine Forestry Statistics report	DENR	
		Goal 15	Proportion of forest land area covered with forest increased	TBD	TBD						TBD	TBD	DENR-X Annual Report	DENR	
		Goal 15	Increased in management effectiveness scores (METT) of existing NIPAS protected areas	Terrestrial Protected Areas (TPAs)											
				2011 (Mt. Kitanglad RNP)	87.94%						87.94%	87.94%		LGUs	
				2011 (Mt. Kalatungan RNP)	62.26%						79.16%	79.16%	DENR-X	DENR, DA & LGUs	
				2013 (Mts. Timpoong- Hibok- hibok NM)	52.20%						77.20%	77.20%	Annual		
		2013 (Mt. Inayawan RNP)	8.60%						28.60%	28.60%	Report				

OBJECTIVES/ RESULTS	0 TO 10-PT. SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		ANNUAL PLAN TARGETS						END- OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
				2013 (Mt. Malindang RNP)	82.20%						82.20%	82.20%			
				2013 (Baliangao Protected Landscape and Seascape)	77.40%						82.40%	82.40%			
				2013 (Mt. Balatukan RNP)	61.10%						71.10%	71.10%			
				2013 (Mimbilisan Protected Landscape)	63.10%						78.10%	78.10%			
				2011 (Initao-Libertad Protected Landscape and Seascape)	73.90%						79.47%	79.47%			
		Goal 14	Condition of coastal habitat areas improved from poor to fair	TBD	TBD						TBD	TBD			Coastal resource assessment completed
			Coral reef												
			Mangrove												

OBJECTIVES/ RESULTS	0 TO 10-PT. SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		ANNUAL PLAN TARGETS						END- OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
	Agenda 6	Goal 1	Increased number of beneficiaries with secured land tenure in public agricultural A&D lands	2015	2,893 lots	3,000 lots	3,000 lots	3,000 lots	3,000 lots	3,000 lots	3,000 lots	3,000 lots	DENR-X Annual Report	DENR & LGU	
	Agenda 6	Goal 1	Increased number of beneficiaries with secured land tenure in residential lands	2015	3,358 lots	3,400 lots	3,400 lots	3,400 lots	3,400 lots	3,400 lots	3,400 lots	3,400 lots	DENR-X Annual Report	DENR & LGU	
Subsector outcome 2: Environmental quality for cleaner and healthier environment improved		Goals 3, 11	PM <sub>10</sub> 24-hour concentrations in Cagayan de Oro City are within the initial set of Ambient Air Quality Guideline Values as provided under RA 8749 IRR (DAO 2000-81)	2015	114 µg/m <sup>3</sup>	108.3 (5% reduction from baseline)	102.9 (5% reduction from previous year)	100.8 (2% reduction from previous year)	98.8 (2% reduction from previous year)	96.8 (2% reduction from previous year)	94.9 (2% reduction from previous year)	102.9 µg/m <sup>3</sup>	Air Quality Monitoring Report	EMB	

OBJECTIVES/ RESULTS	0 TO 10-PT. SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		ANNUAL PLAN TARGETS						END- OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
		Goals 3, 11	PM <sub>10</sub> 24-hour concentrations in Iligan are within the initial set of Ambient Air Quality Guideline Values as provided under RA 8749 IRR (DAO 2000-81)	2015	119 µg/m <sup>3</sup>	113.1 (5% reduction from baseline)	107.4 (5% reduction from previous year)	105.2 (2% reduction from previous year)	103.1 (2% reduction from previous year)	101.1 (2% reduction from previous year)	99.1 (2% reduction from previous year)	99.1 µg/m <sup>3</sup>	Air Quality Monitoring Report	EMB	
		Goals 3, 11	PM <sub>2.5</sub> 24-hour concentrations in Cagayan de Oro City are within the initial set of Ambient Air Quality Guideline Values as provided under RA 8749 IRR (DAO 2013-13)	No baseline available. The plan targets are based on DENR DAO-2013-13		50 µg/m <sup>3</sup>	50 µg/m <sup>3</sup>	50 µg/m <sup>3</sup>	50 µg/m <sup>3</sup>	50 µg/m <sup>3</sup>	50 µg/m <sup>3</sup>	50 µg/m <sup>3</sup>	Air Quality Monitoring Report	EMB	

OBJECTIVES/ RESULTS	0 TO 10-PT. SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		ANNUAL PLAN TARGETS						END- OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
		Goals 3, 11	PM <sub>2.5</sub> 24- hour concentrations in Iligan are within the initial set of Ambient Air Quality Guideline Values as provided under RA 8749 IRR (DAO 2000- 81)	No baseline available. The plan targets are based on DENR DAO- 2013-13		50 µg/m3	50 µg/m3	50 µg/m3	50 µg/m3	50 µg/m3	50 µg/m3	50 µg/m3	Air Quality Monitoring Report	EMB	
		Goals 3, 6	Water quality of priority river systems is within the designated waterbody classification based on the BOD water criteria – (Class A - 3mg/l): Cagayan de Oro River	2015	1mg/l	1mg/l	1mg/l	1mg/l	1mg/l	1mg/l	1mg/l	1mg/l		EMB	

OBJECTIVES/ RESULTS	0 TO 10-PT. SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		ANNUAL PLAN TARGETS						END- OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
		Goals 3, 6	Water quality of priority river systems is within the designated waterbody classification based on the BOD water criteria – (Class A - 3mg/l): Tagoloan River	2015	2mg/l	2mg/l	2mg/l	2mg/l	2mg/l	2mg/l	2mg/l	2mg/l		EMB	
		Goal 11	Increased solid waste diversion rate (in percentage)	2015	46%	50%	55%	60%	65%	70%	75%	75%		EMB	
		Goal 11	Number of Sanitary Landfills (SLFs) established	2016	6 LGUs	8 LGUs	8 LGUs	8 LGUs	8 LGUs	10 LGUs	10 LGUs	52 LGUs		EMB	
		Goal 11	Percentage of cities and municipalities with approved DRR/CCA-enhanced CLUPs increased	2016	15% (14)	15% (14)	15% (14)	15% (14)	15% (14)	15% (14)	10% (9)	85% (79)		OCD, NEDA, DILG, HLURB	



OBJECTIVES/ RESULTS	0 TO 10-PT. SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		ANNUAL PLAN TARGETS						END- OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
	Agenda 7	Goal 11	Percentage increase in public elementary and secondary schools with DRR/CCA enriched curricula	TBD	TBD							TBD		DepEd	
	Agenda 7	Goal 11	Percentage increase in state universities and colleges with DRR/CCA enriched curricula	TBD	TBD							TBD		CHED	
		Goal 11	Percentage increase in provinces, cities and municipalities with fully functional DRRM operation centers	TBD	TBD							TBD		OCD, DILG	
Resilience of natural systems enhanced	Agenda 5	Goal 6	Climate change mitigation and adaptation strategies for key ecosystems implemented	2015	3 RB Master Plans	3 RB Master Plans	3 RB Master Plans	3 RB Master Plans	4 RB Master Plans	4 RB Master Plans	4 RB Master Plans	4 RB Master Plans	RBCO Annual Accomplishment Report	DENR-RBCO	Budget dependent

OBJECTIVES/ RESULTS	0 TO 10-PT. SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		ANNUAL PLAN TARGETS						END- OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
			(e.g., river basin master plan)												
Adaptive capacities of communities improved	Agenda 5	Goal 11	Percentage reduction in annual damages and losses to crops and properties due to disasters caused by hydrometeorological and geologic hazards	TBD	TBD						TBD	TBD	OCD Annual Report		
	Agenda 5	Goal 11	Percentage reduction in the number of deaths, missing persons and persons affected (per 100,000 population) by hydrometeorological and geologic hazards	TBD	TBD						TBD	TBD	OCD Annual Report		

OBJECTIVES/ RESULTS	0 TO 10-PT. SOCIO- ECONOMIC AGENDA	SDG	INDICATOR/ UNIT	BASELINE		ANNUAL PLAN TARGETS						END- OF- PLAN TARGET	MEANS OF VERIFICATION	RESPONSIBLE AGENCY	ASSUMPTIONS AND RISKS
				YEAR	VALUE	2017	2018	2019	2020	2021	2022				
		Goal 11	Increased percentage of cities/ municipalities with updated/ completed geohazard maps (landslides, flooding, subsidence, and coastal erosion/ accretion)	2016	2 (including 1 from 2015)	1	12	12	12	12	12	61 (total)	EMB Annual Report	MGB	
						1%	13%	13%	13%	13%	13%	66%			
						Cities/Municipalities with updated geohazard maps									
				2016	16 (including 7 from 2015)	13	13	13	13	3		55 (total)	EMB Annual Report		
						Cities/Municipalities assessed for coastal geohazard (erosion/accretion)									
				2016	1	1	1	1	1	1	1	6 (total)	EMB Annual Report		
						1%	1%	1%	1%	1%	1%	6%			
						Cities/Municipalities assessed for subsidence									

Note: TBD - To be determined with concerned agencies and will be submitted to the RDC-X Economic Development Committee for adoption.



PART VII

# **FROM PLAN TO ACTION**





21

Plan  
Implementation  
and Monitoring





# Plan Implementation and Monitoring

This chapter presents the institutional, political and administrative arrangements in implementing the Regional Development Plan 2017-2022, how it is integrated into the existing machinery and processes at the regional and sub-regional level under the Synchronized Planning, Programming and Budgeting System (SPPBS).

The “Results-Based Management (RBM) Approach” of which the whole government is pursuing is the results-orientation in the planning, budgeting, implementation and monitoring and evaluation processes of development. Thus, the formulation of the Results Matrices (RMs) which integrate the indicators to measure success in the various strategies, programs and projects, forms part of the RDP. The RMs serve as a tool in monitoring and evaluating the progress of the plan implementation.

The plan implementation mechanism likewise uses the existing monitoring and evaluation system in tracking the implementation of programs and projects; recognizes the need to monitor and facilitate the periodic review, evaluation and revision of the plan especially if there are significant changes in the planning environment affecting the regional economy.

The need for institution building is highlighted through: a) capability building programs for regional, provincial, city and municipal planners, and implementers to translate the plan at the provincial, city and municipal level; b) advocacy for all stakeholders on their roles in RDP implementation; and c) identification of areas for further research and legislative support for policy and other development-related decision making processes.

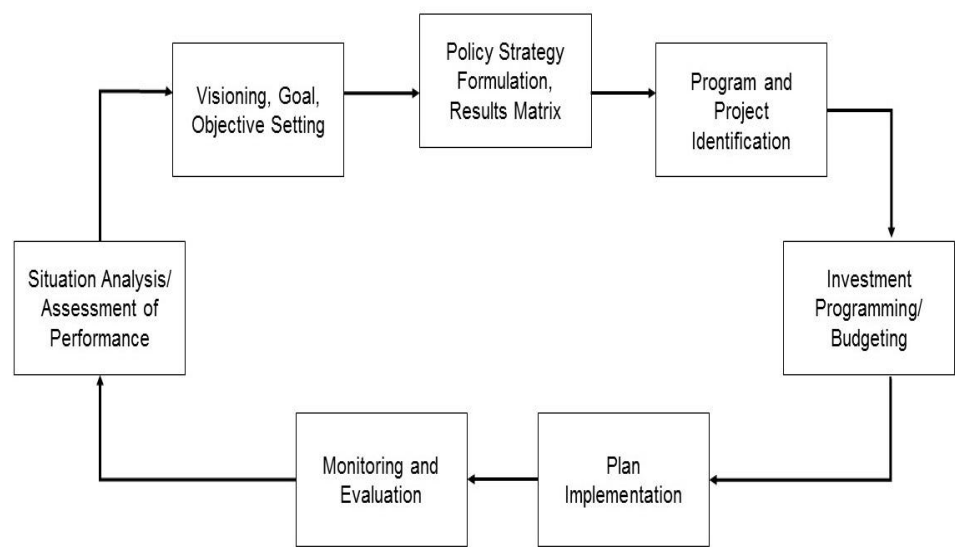
## Integrating the RDP into the Existing Machinery for Regional Policy-Making and Planning Coordination and Integration

The formulation and implementation of the RDP shall be considered a part of the entire development planning and implementation machinery and process (Figure 21.1).

Moreover, it is important that the RDP acquires legitimacy as the result of a formal process of endorsement and approval by the Regional Development Council (RDC) so that its significance is acknowledged by the

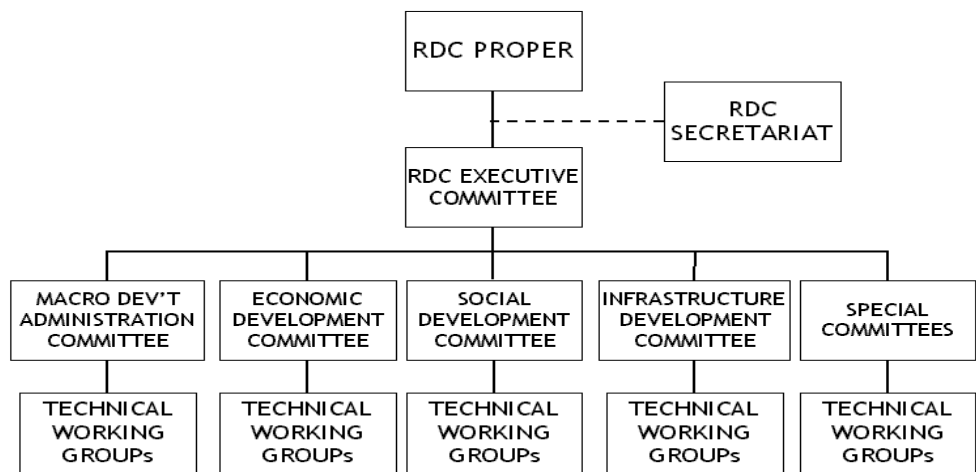
government agencies, LGUs, and private sector and that the various development activities are integrated, supportive, and contributory to the overall goal and vision of the region.

**Figure 21.1 Development Planning and Implementation Machinery and Process**



The RDC shall exercise its mandate and use its structure in the whole cycle of implementing the plan. The RDC sectoral committees which shall serve as the planning committees, shall be mobilized to ensure coordination, complementation, and convergence in discussing and resolving sector-specific, as well as national development agenda with regional implications (Figure 21.2).

**Figure 21.2 Regional Development Council Structure\***



*\*Reorganized pursuant to EO 325 (s. 1996).*

## The RDC Secretariat

As provided for in Section 13 of EO 230 dated 22 July 1987, “Reorganizing the National Economic and Development Authority,” there shall be a NEDA Regional Office (NRO) in each of the administrative regions, which shall serve as the principal technical staff and Secretariat of the RDC, and its Executive Committee and the

Advisory Committee (EO 325, s. 1996, Section 13). The NRO Director serves as the Vice-Chairperson of the RDC and as Chairperson of the Regional Land Use Committee (RLUC) and of the Regional Project Monitoring Committee (RPMC) per EO No. 376, amending EO No. 93. The four technical divisions of the NRO provide technical support to the four RDC sectoral and special committees as follows:

NRO-X DIVISIONS	RDC-X SECTORAL/SPECIAL COMMITTEES
Development Research Division (DRD)	Macro and Development Administration Committee (MacroCom)
	Regional Statistical Coordination Committee (RSCC)
Project Development, Investment Programming and Budgeting Division (PDIPBD)	Economic Development Committee (EDC)
Policy Formulation and Planning Division (PFPD)	Social Development Committee (SDC) Regional Land Use Committee (RLUC)
Project Monitoring and Evaluation Division (PMED)	Infrastructure Development Committee (IDC) Regional Project Monitoring Committee (RPMC)

## The RDP Process and the Synchronized Planning, Programming and Budgeting System (SPPBS)

The Joint Memorandum Circular (JMC) No. 1 s. 2007 and its update, JMC No. 1 s. 2016, of the DILG, NEDA, DOF and DBM provide the Guidelines on the Harmonization of Local Planning, Investment Programming, Budgeting, Expenditure Management, Resource Mobilization and Performance Monitoring and Coordination in Fiscal oversight.

These will be observed in the plan implementation, monitoring, and updating in collaboration with the concerned stakeholders.

## Phasing the RDP Implementation Relative to the Local Plans

The RDP is considered reflective of the people’s aspirations and development vision for the next six years. As such, this could be segmented into two phases or by three-year period at the local level to synchronize with the tenure of elective officials and short-term planning cycles.

The RDP allows its translation into more implementable terms at the provincial, city, and municipal levels based on the following assumptions:

- the LGUs will be effective implementers of the RDP through their provincial, city, and municipal development plans, executive legislative agenda and corresponding investment programs; and
- the legislators will be interested in the legislation of budget appropriations, that will ensure local translations of their development concerns affecting the specific districts and provide their support to the RDP implementation.

The effective implementation and institutionalization of the RDP shall consider the following:

- integrating it into the existing mechanisms, processes, and outputs of planning at the national, sub-national and local levels;
- setting-up a continuing capability building program especially along the RBM framework and approaches for the planners and implementers to ensure the technical quality of the various processes of development planning in the region;
- strengthening and improving systems of data gathering and analysis which shall be part of the regional data banking and management information system of the RDC;
- ensuring proactive support of the private sector whose investments are the engine and/or dynamo of economic growth and which in turn are fueled

with the government's support and motivation through various interventions and provision of the necessary socio-economic overhead capital; and

- engaging the civil society organizations (CSOs) to make the plan implementation more inclusive.

### *Regional Development Investment Program (RDIP) as the Implementing instrument of the RDP*

The RDP which is basically cascaded from the PDP, is largely socio-economic in context and serves as the main guide in the formulation and implementation of sectoral programs and projects. The RDIP, as the accompanying document of the RDP, contains major programs and projects that shall contribute to the attainment of the objectives and targets of the plan. With a six-year time horizon, the RDIP, fits into the political term of national elective officials. In essence, both the RDP and the PDP articulate the people's development agenda and provide the political platform of any incumbent administration as reflected in the medium term and annual investment programs.

Existing local plans have been taken into consideration in the iterative processes of the RDP formulation through the conduct of comprehensive provincial/city consultations. In turn, the RDP is being translated at the local level through the comprehensive development plans and investment programs.

## Annual Budget Review

The Annual Budget Review seeks to determine the priority region-wide infrastructure projects and regionally-initiated priority socio-economic projects supportive of the PDP and RDP based on the PIP, RDIP or three year rolling infrastructure program (TRIP) of the region. These programs and projects shall be prioritized in the budget allocation and implementation for the particular fiscal year.

## Operationalizing the Strategic Development Areas (SDAs)

The SDAs define the spatial roles and functions of various growth centers in the region, and the strategies to link them to form an integrated network of settlements. This is important in determining transport infrastructures and strategic socio-economic interventions that will improve

access and connectivity among urban and market centers and production areas. Given the roles of the four SDAs of the region, their contribution towards overall competitiveness and productivity is critical in achieving inclusive growth. The identification of priority focus areas (PFAs) and development gaps in each SDA is necessary to focus the interventions in lagging sectors and areas. In view of this, the SDA Action Teams which shall comprise the concerned LGUs, apart from the regional line agencies, private sector representatives/NGOs, shall function under the Regional Land Use Committee of the RDC-X. The SDA Action Teams shall be institutionalized to undertake the following: a) firm-up the PFAs as growth drivers and the corresponding programs and projects; b) facilitate the provision of investment requirements by including the programs and projects contained in the SDA Action Plans in the RDP and the corresponding agency and local development plans and investment programs to ensure implementation; and c) monitor and evaluate the implementation of the SDA action plans and programs.

## Managing for Development Results (MfDR)<sup>1</sup>

As part of public expenditure management (PEM)<sup>2</sup>, the whole-of government MfDR, a management strategy that focuses on development performance and on improvements of country outcomes, seeks to continually enhance the results-

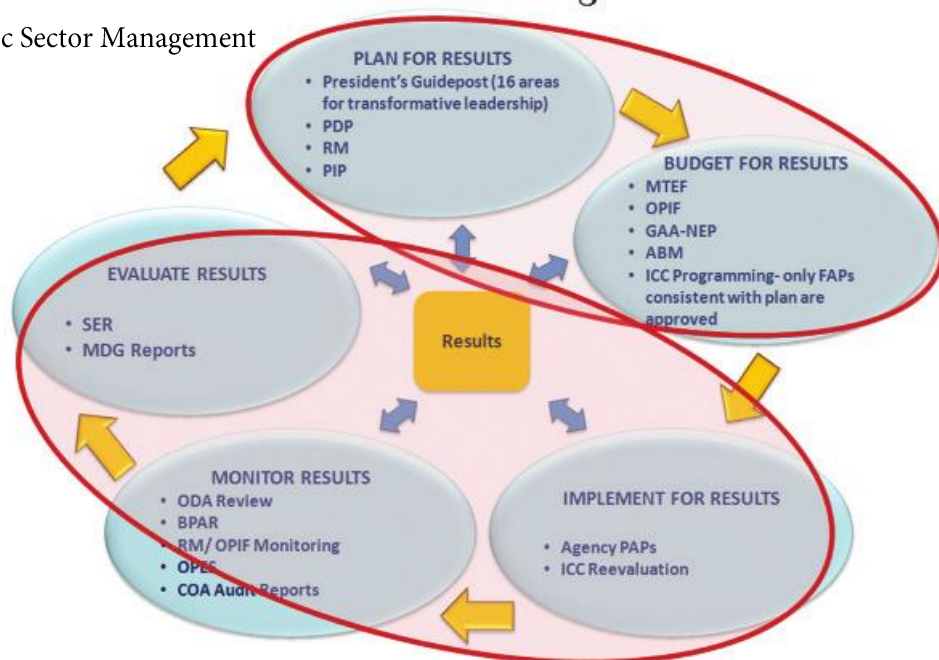
orientation of the government in all stages of the planning, budgeting, implementation and monitoring and evaluation (M&E) processes and integrate existing results-based management tools as shown below:

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<sup>1</sup> *Managing for Development Results*, available at <http://www.mfdr.org>

<sup>2</sup> PEM is a government reform initiative which started in late 1998. It rationalizes public investments by working along Medium-Term Expenditure Framework (MTEF) which aims to strengthen the planning and budgeting linkage, intensifies fiscal discipline, improves budget allocation, and enhances agency implementation of plans, programs and projects and the evaluation of its impact. Reform (<http://www.neda.gov.ph>)

## Public Sector Management



## Plan monitoring and evaluation system

The plan monitoring and evaluation shall focus on the results or outcome levels as contained in the Results Matrices (RMs) of the various chapters of the RDP. The RMs which consist of indicators for evaluating results corresponding to the strategies, programs and projects track the progress of the plan. RMs facilitate the operationalization of the MfDR and serve as a tool for all stages of public sector management.

### Regional Project Monitoring System and the Electronic RDC-X Results Matrix Monitoring and Evaluation System

undertaken through the RPMES per Executive Order (EO) No. 376 s. 1989 as amended by EO No. 93 dated June 1993 and MC No. 175 s. 1989. The RPMES assesses quarterly the physical outputs and financial accomplishments of the programs/projects and the employment generated to ascertain their contributions to inclusive growth.

In 2013, the RDC-X through the NEDA-X (with funding support from the DOST-X) established the electronic RDC-X Results Matrix Monitoring and Evaluation System (e-RDC10RMMEs) project. It aims to improve the RDC-X's system in monitoring and evaluating the impact of the outputs from the various development interventions to the attainment of development outcomes and impact of the region. The system ensures quality of and reduces time in processing and analysis by the RDC-X Secretariat in monitoring the performance of the targeted results of the RDP.

The e-RDC10RMES has the capacity to accommodate the RMs of the RDP. The system allows creation of a planning period that can be remotely edited and updated by multiple parties, depending on their authorization from the NEDA-X as the Secretariat to the RDC-X.

### **Annual Regional Development Report (RDR)**

An annual RDR shall be prepared to monitor and evaluate the achievements, gaps and challenges in realizing the objectives and targets indicated in the RDP. It shall likewise assess the Results Matrices and the extent to which the policies, strategies and programs and projects have been implemented during the plan period.

### **Regional Development Research Agenda (RDRA)**

The RDRA shall be formulated and/or updated to support the RDP and guide

research undertaking in the context of its thrusts and priorities. It shall also afford an evidence-based decision-making particularly in the crafting of policies, strategies and other development interventions. The various research consortia in the region shall take an active role in the setting of priority research agenda, as well as in the conduct, fund sourcing and utilization of research results and outputs into the development processes.

### **Financing the RDP**

The RDP can be funded out of the Official Development Assistance (ODA), General Appropriations Act (GAA) and locally generated funds. The Public-Private Partnerships (PPP) among stakeholders and other financing schemes which the LGUs can now initiate, as empowered under the Local Government Code of 1991, shall be promoted.

## **Implementation Support Activities**

### **Plan Advocacy and Communication Program**

The effective implementation of the RDP calls for the advocacy of the plan to all concerned:

- a) Members of the House of Congress who can provide the funding through legislation and congressional funds;
- b) LGUs which should translate the RDP into implementable provincial, city,

municipal comprehensive development plans and the three –year Executive Legislative Agenda (ELA) ;

- c) Line agencies which shall implement the programs and projects;
- d) The private sector, NGOs, Community-based Organizations, and the businesspersons who will translate the RDP into income generating social enterprises and private investments; and



- e) The people who are the ultimate beneficiaries of the fruits of the RDP in terms of improved welfare for all.

Advocacy materials on the RDP shall be prepared and disseminated through various means of communication. The communication strategies shall include communicating the key messages of *AmBisyon Natin 2040* and the RPFP 2013-2040 as they relate to the RDP. The cooperation and support of the RDC-X particularly the Philippine Information Agency (PIA) in the preparation of these promotional materials is essential. These advocacy materials shall be prepared in a layman's term to enable a critical mass of citizens to understand the RDP and correspondingly communicate their roles and the imperative of their engagement towards its realization.



22

Sustaining the  
Momentum towards  
*AmBisyon Natin*  
2040



## Chapter 22

# Sustaining the momentum towards *AmBisyon Natin 2040*

Sustaining the gains of the RDP requires an effective implementation and monitoring of the RDP. Proper coordination among government agencies and the LGUs as the frontline service providers, the private sector, academe, NGOs, civil society organizations and other development partners, and the general public shall be continually engaged in the entire development process.

In order to sustain the 6.2 percent growth of the regional economy in the previous plan period, the overarching imperatives shall be prioritized through: 1) addressing the various constraints for the slow reduction in poverty by giving due consideration to geographical and sector-specific factors; 2) promotion and increasing investments for disaster risk management and climate change adaptation due to the region's vulnerability to various risks associated with natural hazards; 3) fostering credible and effective institutions that will enforce the rule of law and guarantee stability and security in the investment climate; and 4) ensuring transparency and accountability in government transactions, in order to strengthen the public's trust.

To operationalize the above-indicated imperatives, the region shall contribute in realizing the national vision over the 25 years that spans four planning periods through the following broad strategic action areas as outlined in Chapter 1:

**A prosperous, predominantly middle-class society where no one is poor.** The region shall continue creating massive and decent employment to reduce poverty. It shall develop more resilient industries and communities to ensure minimal impact of disasters and climate change to growth gains. The region's Priority Focus Areas (PFAs), namely: high value agricultural crops, livestock, poultry and fishery; fresh and processed foods; tourism; metals and engineering; and other emerging sectors (i.e., integrated steel industry) shall be promoted. These PFAs are expected to supply the huge domestic and foreign

markets while creating opportunities for sustainable value adding and development of local industries with forward and backward linkages.

Apart from agricultural and rural development, the following shall be prioritized:

- Improve connectivity through various transport solutions;
- Expand access to quality education and health services;

- Improve the provision of and access to decent housing and other urban services; and
- Intensify tourism-related activities.

**A healthy and resilient society.** The provision of quality and accessible health care and social protection services shall be anchored on the Sustainable Development Goals, the national health agenda and the 0 to 10-point socioeconomic agenda of the present administration. Thus, strategic interventions are directed towards the following:

- Better health and nutrition outcomes (i.e., reduction of infant, child and maternal mortality rates, and reduction of malnutrition);
- Full implementation of the Responsible Parenthood and Reproductive Health Act;
- Environmental conservation and management;
- Sustain the gains of social protection programs, such as CCT and other livelihood programs; and
- Promotion of work-life balance by providing more affordable, clean and safe options for rest and recreation (i.e. open spaces, natural parks and public sports and fitness facilities).

**A smart and innovative society.** With the ASEAN integration and globalization, human resource development shall respond to the emerging requirements of the labor market. Thus, the following shall be pursued:

- Strengthen K to 12 program implementation as foundation for a smarter society;
- Focus on high-productivity, green, and hard-to fill jobs;

- Strengthen R & D culture in the government, academe and private sector, and utilization of knowledge products;
- Invest in science, technology and innovation (STI) capacity building and state-of-the-art facilities and equipment; and
- Increase access to lifelong learning opportunities to continuously update and upgrade competencies.

**A high trust society.** The government at all levels shall continue to be people-centered, effective, transparent and highly accountable through the following:

- Efficient delivery of public goods and services especially at the local level;
- Pursue the peace accord with long-term development agenda for areas threatened by armed conflict; and
- Strengthen social and cultural awareness, and develop in every Filipino a deep appreciation of the Filipino nation.

For the region to be aligned to the country's long-term vision (AmBisyon Natin 2040) of *Matatag, Maginhawa at Panatag na Buhay* over the next 25 years, it shall build a broad constituency to support the reforms needed to attain it. As indicated in Chapter 19, an effective communications strategy is critical to disseminate the Vision to all stakeholders. The Vision shall be cascaded to the regional and local level through the long-term and medium-term plans which contain the goals, measurable targets, and immediate milestones while allowing flexibility in strategies in the four planning horizons until 2040.

## Annex A

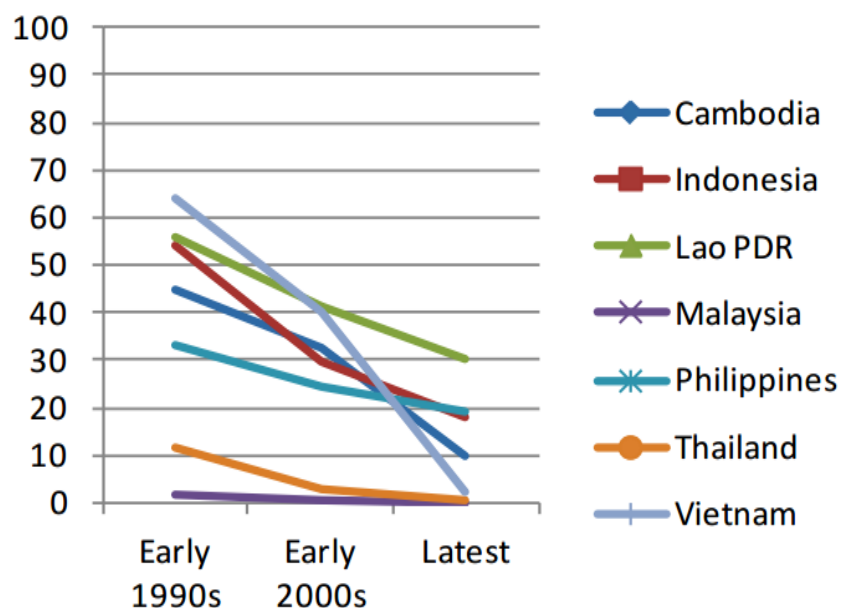
*Poverty incidence and magnitude of poor population and poor families, Philippines, Region X and Region X provinces, for the years 1991, 2006, 2009, 2012, 2015*

AREA	POVERTY INCIDENCE AMONG POPULATION (%)					MDG TARGET	REDUCTION %/YEAR	POVERTY INCIDENCE AMONG FAMILIES (%)					MDG TARGET	REDUCTION %/YEAR
	1991	2006	2009	2012	2015			1991	2006	2009	2012	2015		
PHILIPPINES	34.4	26.6	26.3	25.2	21.6	17.2	0.53	29.7	21	20.5	19.7	16.5	14.9	0.55
Region X	46.6	39	40.1	39.5	36.6	23.3	0.42	42.6	32.1	33.3	32.8	30.3	21.3	0.51

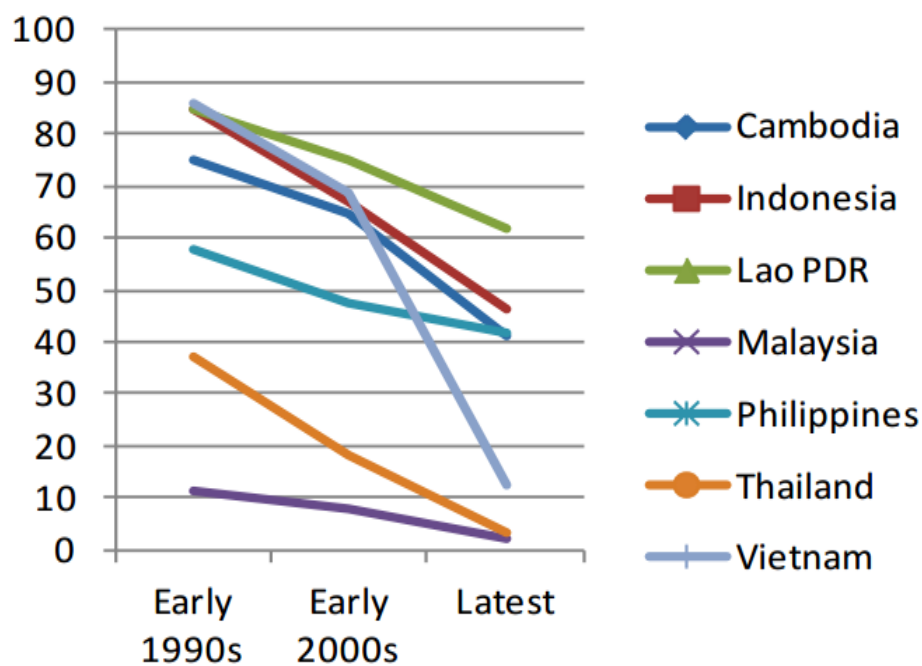
# Annex B

## Progress on poverty reduction

Percent of population living on less than \$1.25/day of selected ASEAN countries



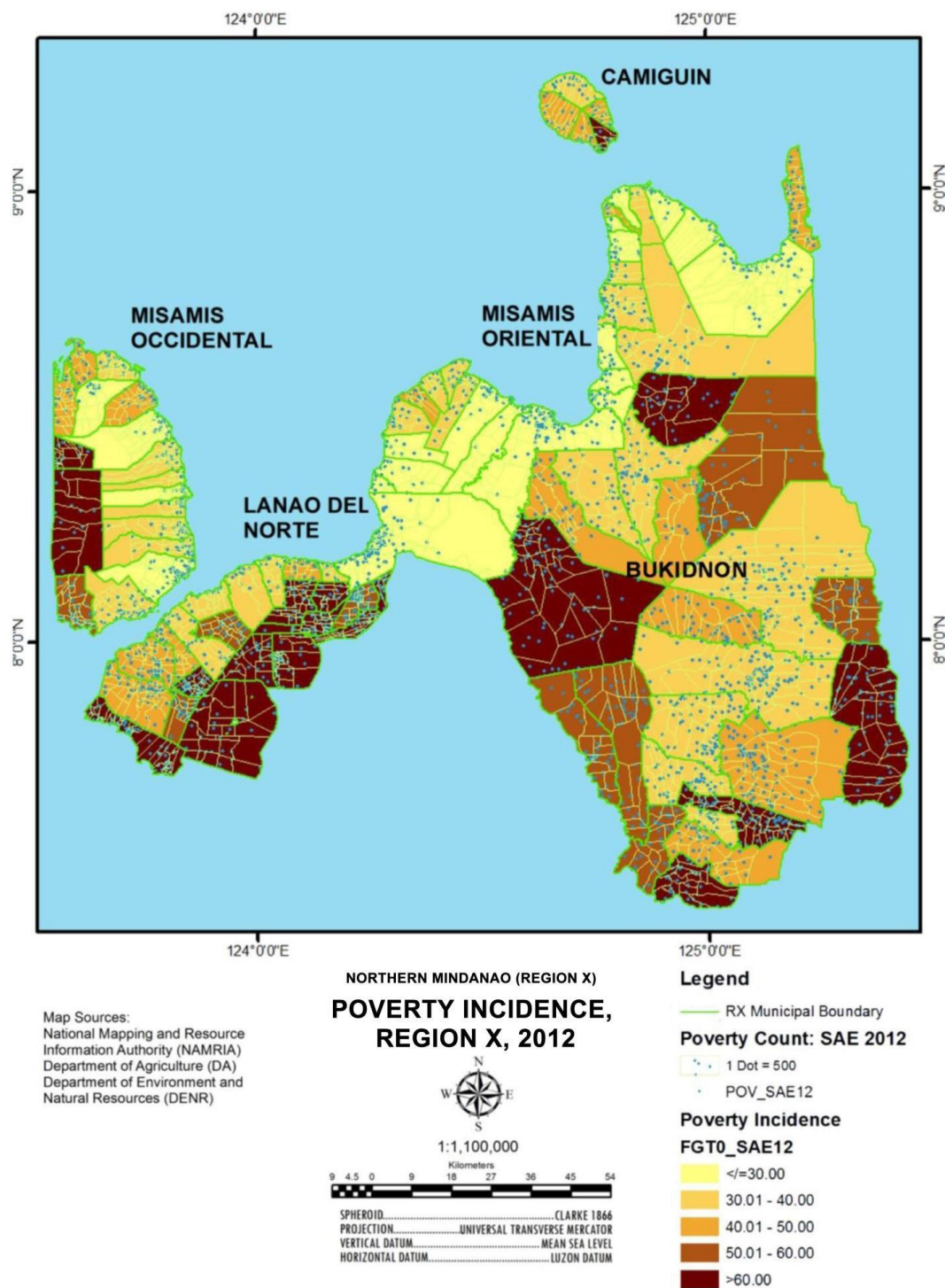
Percent of population living on less than \$2/day of selected ASEAN countries



Source: The ASEAN Secretariat, Report of the ASEAN Regional Assessment of MDG Achievement and Post-2015 Development Priorities

# Annex C

Poverty incidence by municipality, Region X, 2012



Source of basic data: PSA-X

# Annex D

*Gross Regional Domestic Product (GRDP) by Industrial Origin (in thousand pesos) at constant 2000 prices, Region X, 2010-2015*

INDUSTRY/YEAR	2010	2011	2012	2013	2014	2015
<b>I. AGRI., HUNTING, FORESTRY &amp; FISHING</b>	54,471,105.46	58,026,531.65	58,896,940.76	60,771,740.49	62,687,927.58	65,183,438.00
a. Agriculture and Forestry	47,804,657.01	51,402,230.43	52,108,471.43	53,104,164.38	55,089,821.73	56,670,930.00
b. Fishing	6,666,448.46	6,624,301.23	6,788,469.33	7,667,576.11	7,598,105.86	8,512,508.00
<b>II. INDUSTRY SECTOR</b>	68,631,228.12	73,196,492.60	79,779,623.15	85,182,970.83	92,868,033.98	96,660,833.00
a. Mining and Quarrying	760,899.28	793,148.99	868,691.27	896,305.07	986,912.89	1,204,506.00
b. Manufacturing	40,626,188.24	44,014,975.28	48,778,301.83	53,338,653.27	56,453,499.98	58,232,418.00
c. Construction	12,636,834.61	13,363,932.20	14,598,891.15	15,440,107.13	19,961,955.44	21,589,617.00
d. Electricity, Gas and Water Supply	14,607,305.99	15,024,436.13	15,533,738.90	15,507,905.35	15,465,665.68	15,634,292.00
<b>III. SERVICE SECTOR</b>	87,863,187.88	91,937,715.23	98,976,615.99	104,384,091.16	112,780,665.35	121,394,161.00
a. Transport, Storage & Communication	14,816,619.40	15,863,645.45	17,392,682.76	18,539,609.30	19,356,744.01	21,071,558.00
b. Trade and Repair of Motor Vehicles, Motorcycles, Personal and Household Goods	31,091,833.60	32,185,060.19	35,772,826.13	37,153,298.22	40,926,005.79	43,640,595.00
c. Financial Intermediation	6,903,911.15	7,262,560.38	7,913,165.49	8,679,655.92	9,310,313.62	9,901,242.00
d. R. Estate, Renting & Business Activities	10,206,652.19	10,835,485.12	11,723,251.91	12,623,550.95	14,134,669.07	14,925,929.00
e. Public Administration & Defense; Compulsory Social Security	7,268,845.03	7,291,345.76	7,781,557.43	8,194,443.76	8,701,786.58	8,855,948.00
f. Other Services	17,575,326.52	18,499,618.32	18,393,132.27	19,193,533.02	20,351,146.28	22,998,890.00
<b>GROSS DOMESTIC PRODUCT</b>	210,965,521.46	223,160,739.48	237,653,179.91	250,338,802.48	268,336,626.91	283,238,432.00

Source of data: PSA



# Annex E

Industry Specific Development Interventions (Policy, Research Agenda, Program, Project, and Activities)

Subsector Outcome 1.2: Competitiveness, innovativeness and resilience of industry improved

Steel Industry

1. Conduct of policy study/feasibility study on the establishment/revival of an integrated steel industry in Northern Mindanao (within 2017-2018)
2. Formulation of the regional metal/steel industry roadmap

Processed Foods: Cacao and Coffee

1. Industry development, strengthening and expansion program
2. Robusta processing promotion
3. Quality standards and market linkage program for cacao and coffee
4. Cacao and coffee production program
5. Cacao and coffee upgrading program
6. Cacao 100 Credit Program
7. Agri-Insurance Program
8. Recognition of the Regional Cacao Development Council
9. Regional Cacao, Industry Baseline Data
10. Establishment of Cacao testing laboratory

Processed Foods: Fishery

1. Formulation of Bangus Sardines Regional Roadmap
2. Enhancement of Bangus Sardines Processing through equipment upgrading in Balingao, Misamis Occidental and other areas.
3. Misamis Oriental  
Formulation of business plans for silkworm industry

Fiber, Textile and Garments

Silk production

1. Mindanao Silkworm Program
2. Upgrading of the sericulture facilities in Misamis Oriental

## Coco Fiber

1. Study on least cost or highly profitable business models for coco fiber production
2. Upgrading of coco fiber products
3. Market development, promotion and expansion program for coco-fiber and coco peat products
4. Enhancement of Coconut Farm Production and Productivity Program
5. Technology development and Promotion Program for Coco Fiber and Coco peats.
6. Institutional Development and strengthening program eg. Establishment of a regional coco coir industry development council.

## Furnitures, Gifts and Toys: Bamboo

1. Bamboo plantation development program
2. Conduct of inventory and mapping of bamboo resources and enterprises
3. Bamboo tissue culture development
4. Research and development for bamboo value adding products
5. Revitalize the Bamboo Industry Development Program per RDC-X Resolution No. 49 s. 2012

## Rubber and Plastic Products

1. Rubber budwood garden expansion
2. International accreditation drive of rubber processing plants
3. Upgrading of standards of rubber laboratory testing centers
4. Rubber financing program
5. Creation of a regional rubber industry technical working group

# List of Acronyms

<b>4Ps</b>	Pantawid Pamilyang Pilipino Program	<b>ALS</b>	Alternative Learning System
<b>ACs</b>	Accreditation Centers	<b>AMP</b>	Adjustment Measures Program
<b>A&amp;D</b>	Alienable and Disposable	<b>ANSSF</b>	Air Navigation and Support Service Facilities
<b>AACCUP</b>	Accrediting Agency of Chartered Colleges and Universities in the Philippines	<b>APAC</b>	Asia Pacific
<b>AAGR</b>	Annual Average Growth Rate	<b>ARB</b>	Agrarian Reform Beneficiary
<b>ACPs</b>	Accredited Co-Partners	<b>ARC</b>	Agrarian Reform Communities
<b>ADB</b>	Asian Development Bank	<b>ARCESS</b>	Agrarian Reform Communities Connectivity Enhanced Support Services
<b>ADIPH</b>	Ancestral Domain Investment Plan for Health	<b>ARG</b>	Automatic Rain Gauges
<b>ADSDPP</b>	Ancestral Domain Sustainable Development and Protection Plans	<b>ARI</b>	Annual Regular Income
<b>AFAES</b>	Access Facilitation and Access Enhancement Services	<b>ARISP</b>	Agrarian Reform Infrastructure Support Program
<b>AFF</b>	Agriculture, Fishery and Forestry	<b>AROGA</b>	Association of Resident Ombudsman in Government Agencies in Region X
<b>AFP</b>	Armed Forces of the Philippines	<b>ARMM</b>	Autonomous Region In Muslim Mindanao
<b>AFP GFPP</b>	Armed Forces of the Philippines Guns For Peace Program	<b>ARTA</b>	Anti-Red Tape Act
<b>AGiLa</b>	Alubijid, Gitagum and Laguindingan Cluster	<b>ASEAN</b>	Association of Southeast Asian Nations
<b>AHFF</b>	Agriculture, Hunting, Fishery, and Forestry	<b>ASRH</b>	Adolescent Sexuality and Reproductive Health (ASRH)
<b>AI</b>	Avian Influenza	<b>ASTHRDP</b>	Accelerated Science and Technology Human Resource Development Program
<b>AICS</b>	Assistance to Individuals in Crises Situation	<b>ATI</b>	Agricultural Training Institute
<b>AIP</b>	Annual Investment Program	<b>ATM</b>	Automated Teller Machine
<b>ALMP</b>	Active Labor market Program	<b>AUSAID</b>	Australian Aid for International Development
<b>ALP</b>	Agri-Livelihood Project		

<b>AWS</b>	Automatic Water Stations	<b>BPI-NSQC</b>	Bureau of Plant Industry- National Seed Quality Control
<b>BADAC</b>	Barangay Anti-Drug Abuse Council	<b>BPLS</b>	Business Permit and Licensing System
<b>BAPC</b>	Bukidnon Agri Productivity Center	<b>BPO</b>	Business Process Outsourcing
<b>BAS</b>	Bureau of Agricultural Statistics	<b>BRTS</b>	Bus Rapid Transit System
<b>BCIR</b>	Butuan-Cagayan de Oro- Iligan Road	<b>BSP</b>	Bangko Sentral ng Pilipinas
<b>BESRA</b>	Basic Education Sector Reform Agenda	<b>BSPO</b>	Barangay Service Point Offices
<b>BFAR</b>	Bureau of Fisheries and Aquatic Resources	<b>BSU</b>	Bukidnon State University
<b>BGPMS</b>	Barangay Governance Performance Management System	<b>BUB</b>	Bottom-Up Budgeting
<b>BHS</b>	Barangay Health Station	<b>BUS</b>	Beneficiary Update System
<b>BEmONC</b>	Basic Emergency Obstetric and Neonatal Care	<b>BUSCO</b>	Bukidnon Sugar Corporation
<b>BHS</b>	Barangay Health Station	<b>CAAP</b>	Civil Aviation Authority of the Philippines
<b>BHWs</b>	Barangay Health Workers	<b>CAC</b>	Competency Assessment and Certification
<b>BIMP-</b>	Brunei, Indonesia,	<b>CADT</b>	Certificate of Ancestral Domain Title
<b>EAGA</b>	Malaysia and Philippines- East Asian Growth Area	<b>CAPE</b>	Consultancy for Agricultural Productivity Enhancement
<b>BIR</b>	Bureau of Internal Revenue	<b>CARP</b>	Comprehensive Agrarian Reform Program
<b>BJMP</b>	Bureau of Jail Management and Penology	<b>CBDRM</b>	Community-based Disaster Risk Reduction and Management
<b>BLGF</b>	Bureau of Local Government Finance	<b>CBFMA</b> s	Community Based Forest Management Agreements
<b>BMBE</b>	Barangay Micro-Business Enterprise	<b>CBHP</b>	Community Based Housing Program
<b>BMI</b>	Body Mass Index	<b>CBMS</b>	Community-Based Monitoring System
<b>BLEP</b>	Barangay Line Enhancement Program	<b>CBTED</b>	Community-Based Training Enterprise Development
<b>BnB</b>	Botika ng Barangay	<b>CCA</b>	Climate Change Adaptation
<b>BNS</b>	Barangay Nutrition Scholars	<b>CCBO</b>	Community Coconut- based Organizations
<b>BOC</b>	Bureau of Customs		
<b>BOD</b>	Biological Oxygen Demand		
<b>BOI</b>	Board of Investments		
<b>BOT</b>	Build-Operate-Transfer		
<b>BPATs</b>	Barangay Peacekeeping Action Teams		

<b>CCEDP</b>	Coconut-Cacao Enterprise Development Project	<b>CHLCPP</b>	Coconut Household level Coconut Processing Project
<b>CeCs</b>	Community eCenters	<b>CIC</b>	Cagayan de Oro-Iligan Corridor
<b>CCEDP</b>	Coconut-Cacao Enterprise Development Project	<b>CICL</b>	Children in Conflict with the Law
<b>CCT</b>	Conditional Cash Transfer	<b>CIDSS</b>	Comprehensive and Integrated Delivery of Social Services
<b>CCTV</b>	Closed-Circuit Television	<b>CIP</b>	Communal Irrigation Projects
<b>CDA</b>	Cooperative Development Authority	<b>CIQ</b>	Customs and Immigration Quarantine
<b>CDD</b>	Community Driven Development	<b>CIS</b>	Communal Irrigation System
<b>CDED</b>	Community Driven Enterprise Development	<b>CLIP</b>	Comprehensive Local Integration Program
<b>CDORB</b>	Cagayan de Oro River Basin	<b>CLOA</b>	Certificate of Land Ownership Award
<b>CDRBMC</b>	Cagayan de Oro River Basin Management Council	<b>CLTS</b>	Community Led Total Sanitation
<b>CDRS-RPFP</b>	Climate Disaster Risk Sensitive Regional Physical Framework Plan	<b>CLUP</b>	Comprehensive Land Use Plan
<b>CeC</b>	Community eCenter	<b>CMCI</b>	Cities and Municipalities Competitive Index
<b>CEmONC</b>	Comprehensive Emergency Obstetric and Neonatal Care	<b>CMP</b>	Community Mortgage Program
<b>CEPALCO</b>	Cagayan Electric Power and Light Company, Inc.	<b>CMTA</b>	Customs Modernization and Tariff Act
<b>CES</b>	Claveria Experiment Station	<b>CMTS</b>	Cellular Mobile Telephone System
<b>CF</b>	Complementary Foods	<b>CMU</b>	Central Mindanao University
<b>CFLC</b>	Community Fish Landing Center	<b>CNA</b>	Collective Negotiation Agreement
<b>CFV</b>	Conservation of Farming Villages	<b>CNN</b>	CPP/NPA/NDF
<b>CGS</b>	Child Growth Standards	<b>COA</b>	Commission on Audit
<b>CHD-NM</b>	Center for Health and Development-Northern Mindanao	<b>COCOBED</b>	Coconut-Coffee Based Enterprise Development
<b>CHED</b>	Commission on Higher Education	<b>COD</b>	Center of Development
<b>CHR</b>	Commission on Human Rights	<b>COE</b>	Center of Excellence
<b>CHT</b>	Community Health Teams	<b>COHARA</b>	Cagayan de Oro Hotel and Restaurant Association

<b>ConVERGE</b>	Convergence on Value Chain for Rural Growth and Empowerment	<b>DARAB</b>	Department of Agrarian Reform Adjudication Board
<b>COSERAM</b>	Conflict Sensitivity Resource and Asset Management Program	<b>DBM</b>	Department of Budget and Management
<b>COWD</b>	Cagayan de Oro Water District	<b>DED</b>	Detailed Engineering Design
<b>CPAR</b>	Community-based Participatory Action Research	<b>DENR</b>	Department of Environment and Natural Resources
<b>CPAT</b>	Cleaner Production Technology	<b>DENRO</b>	Deputy Environment and Natural Resources Officer
<b>CPP</b>	Communist Party of the Philippines	<b>DepEd</b>	Department of Education
<b>CPR</b>	Contraceptive Prevalence Rate	<b>DGDP</b>	Dairy Goat Development Project
<b>CPSC</b>	Camiguin Polytechnic State College	<b>DHEI</b>	Delivering Higher Education Institution
<b>CRM</b>	Coastal Resource Management	<b>DHUD</b>	Department of Housing and Urban Development
<b>CSC</b>	Civil Service Commission	<b>DICT</b>	Department of Information and Communications Technology
<b>CSE</b>	Crime Solution Efficiency	<b>DILG</b>	Department of the Interior and Local Government
<b>CSF</b>	Common Service facilities	<b>DILEEP</b>	DOLE Integrated Livelihood Emergency Employment Program
<b>CSOs</b>	Civil Society Organizations	<b>DILP</b>	DOLE Integrated Livelihood Program
<b>CSR</b>	Cohort Survival Rates	<b>DMPI</b>	Del Monte Philippines, Inc.
<b>CSRS</b>	Contraceptive Self-Reliance Strategy	<b>DOE</b>	Department of Energy
<b>CV</b>	Coefficient of Variation	<b>DOF-BLGF</b>	Department of Finance-Bureau of Local Government Finance
<b>CV</b>	Crime Volume	<b>DOH</b>	Department of Health
<b>CVS</b>	Compliance Verification System	<b>DOJ</b>	Department of Justice
<b>CY</b>	Calendar Year	<b>DOLE</b>	Department of Labor and Employment
<b>DA</b>	Department of Agriculture	<b>DOST</b>	Department of Science and Technology
<b>DAO</b>	Department of Environment and Natural Resources Administrative Order	<b>DOST-FNRI</b>	Department of Science and Technology-Food and
<b>DA-OSEC</b>	Department of Agriculture-Office of the Secretary		
<b>DAR</b>	Department of Agrarian Reform		

	Nutrition Research Institute		Engineering and Development Corporation of the Philippines
<b>DOST-SEI</b>	Department of Science and Technology-Science Education Institute	<b>EEP</b>	Emergency Employment Program
<b>DOT</b>	Department of Tourism	<b>EFA</b>	Education for All
<b>DOTC</b>	Department of Transportation and Communications	<b>eGMP</b>	Electronic Government Master Plan
<b>DOTS</b>	Directly Observed Treatment Short Courses	<b>EGW</b>	Electricity, Gas and Water Supply
<b>DPWH</b>	Department of Public Works and Highways	<b>EHLP</b>	Expanded Housing Loan Program
<b>DRA</b>	Disaster Risk Assessment	<b>EMB</b>	Environmental Management Bureau
<b>DRB</b>	Davao River Basin	<b>ENR</b>	Environment and Natural Resources
<b>DRR/CCA</b>	Disaster Risk Reduction/Climate Change Adaptation	<b>EO</b>	Executive Order
<b>DRRMC</b>	Disaster Risk Reduction and Management Council	<b>EPIRA</b>	Electric Power Industry Reform Act
<b>DRRMO</b>	Disaster Risk Reduction and Management Office	<b>EPP</b>	Export Pathways Program
<b>DSWD</b>	Department of Social Welfare and Development	<b>ER</b>	Energy Regulation
<b>DTI</b>	Department of Trade and Industry	<b>ERC</b>	Energy Regulation Commission
<b>DTS</b>	Dual Training System	<b>ERDS</b>	Ecosystems Research and Development Service
<b>DTTB</b>	Doctors to the Barrios	<b>ERDT</b>	Engineering Research and Development for Technology
<b>EBEIS</b>	Enhanced Basic Education Information System	<b>ESGP-PA</b>	Expanded Students' Grant-in-Aid Program for Poverty Alleviation
<b>ECCD</b>	Early Childhood Care and Development	<b>eSRE</b>	Electronic Statement of Receipts and Expenditures
<b>ECCT</b>	Extended Conditional Cash Transfer	<b>ESWM</b>	Ecological Solid Waste Management
<b>eBPLS</b>	Electronic Business Permit and Licensing System	<b>ESWMA</b>	Ecological Solid Waste Management Act
<b>ECs</b>	Electric Cooperatives	<b>ETEEAP</b>	Expanded Tertiary Education Equivalency and Accreditation Program
<b>EcoWEB</b>	Ecosystems Work for Essential Benefits	<b>FAO</b>	Food and Agriculture Organization
<b>EDSB</b>	Education for Development Scholarship Program		
<b>EDCOP</b>			

<b>FDC</b>	Filinvest Development Corporation	<b>GAA</b>	General Appropriation Act
<b>FDI</b>	Foreign Direct Investment	<b>GAD</b>	Gender and Development
<b>FDP</b>	Faculty Development Program	<b>GAP</b>	Good Agricultural Practice
<b>FDP</b>	Full Disclosure Policy	<b>GHD</b>	Gifts, Housewares, and Decors
<b>FDS</b>	Family Development Sessions	<b>GDP</b>	Gross Domestic Product
<b>FHS</b>	Family Health Survey	<b>GDS</b>	Gross Domestic Savings
<b>FHSIS</b>	Field Health Services Information System	<b>GFI</b>	Government Financial Institutions
<b>FIBECO</b>	Bukidnon I Electric Cooperative, Inc.	<b>GGACC</b>	Good Governance and Anti-Corruption Cluster
<b>FIC</b>	Fully Immunized Children	<b>GIDA</b>	Geographically Isolated and Depressed Areas
<b>FIDA</b>	Fiber Industry Development Authority	<b>GIP</b>	Government Internship Program
<b>FIELDS</b>	Fertilizers; Irrigation and Infrastructure; Extension and Education; Loans; Dryers and Other Post Harvest Facilities; Seeds and Other Genetic Materials	<b>GISP</b>	Government Information System Plan
<b>FIES</b>	Family Income and Expenditure Survey	<b>GOCCs</b>	Government Owned and Controlled Corporations
<b>FishR</b>	Fisherfolk Registration	<b>GRDP</b>	Gross Regional Domestic Product
<b>FITS</b>	Farmers Information and Technology Service	<b>GREET</b>	Grassroots Enterprises and Employment in Tourism
<b>FLDT</b>	Fisheries Livelihood Development Technicians	<b>GROUP Foundation</b>	Foundation for Growth and Organizational Upliftment for People, Inc.
<b>FMD</b>	Foot-and-Mouth Disease	<b>GRP-RPM-M</b>	Government of the Republic of the Philippines- <i>Rebolusyonaryong Partidong Manggagawang-Mindanao</i>
<b>FMR</b>	Farm-to-Market Roads	<b>GRS</b>	Grievance Redress System
<b>FNRI</b>	Food and Nutrition Research Institute	<b>GSIS</b>	Government Service Insurance System
<b>FP</b>	Family Planning	<b>GVA</b>	Gross Value Added
<b>FPCBT</b>	Family Planning Competency- Based Training	<b>HDMF</b>	Home Development Mutual Fund
<b>FPIC</b>	Free, Prior and Informed Consent	<b>HDPRC</b>	Human Development and Poverty Reduction Cluster
<b>FRIMP-CDOR</b>	Flood Risk Management Project for Cagayan de Oro River	<b>HEIs</b>	Higher Education Institutions



<b>HEP</b>	Household Electrification Program	<b>ICTO-DOST</b>	Information and Communications Technology Office-Department of Science and Technology
<b>HEPP</b>	Hydroelectric Power Plant		
<b>HERDIN</b>	Health Research and Development Information Network	<b>IDIG</b>	Institutional Development and Innovation Grants
<b>HFEP</b>	Health Facility Enhancement Program	<b>IDPP</b>	Iligan Diesel Power Plant
<b>Hh/HH</b>	Household	<b>IEC</b>	Information, Education and Communication
<b>HIV/AIDS</b>	Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome	<b>IFAD</b>	International Fund for Agricultural Development
<b>HLURB</b>	Housing and Land Use Regulatory Board	<b>iGovPhil</b>	Integrated Government Philippine Project
<b>HRH</b>	Human Resource in Health		Iligan Light and Power, Inc.
<b>HUCs</b>	Highly Urbanized Cities	<b>ILHZ</b>	Integrated Local Health Zones
<b>HOAs</b>	Homeowners Association		
<b>HRH</b>	Human Resource for Health	<b>ILO</b>	International Labor Organization
<b>HSFs</b>	Homeless Street Families	<b>InfRES</b>	Infrastructure for Rural Productivity Enhancement Sector
<b>HUDCC</b>	Housing and Urban Development Coordinating Council	<b>IP</b>	Indigenous Peoples
<b>HVCDP</b>	High Value Crops Development Program	<b>IPAC</b>	Inclusive Partnerships for Agricultural Competitiveness
<b>HVCC</b>	High Value Commercial Crops	<b>IPCC</b>	Intergovernmental Panel on Climate Change
<b>IBAMO</b>	Iligan Bay Alliance of Misamis Occidental	<b>IPEd</b>	Indigenous Peoples Education
<b>I-BUILD</b>	Intensified Building Up of Infrastructure and Logistics for Development	<b>IPMR</b>	Indigenous Peoples Mandatory Representative
<b>ICC</b>	Indigenous Cultural Communities	<b>IPO</b>	Intellectual Property Office
<b>ICMP</b>	Integrated Coastal Resources Management Plan	<b>IPP</b>	Individually Paying Program
<b>ICRM</b>	Integrated Coastal Resources Management	<b>IPRA</b>	Indigenous Peoples Rights Act
	Information and	<b>IPSP</b>	Internal Peace and Security Plan
<b>ICT</b>	Communications Technology	<b>IRSE</b>	Institutional Research and Sectoral Engagement

<b>ITeMA</b>	IT Enabled Maturity Assessment	<b>LBP</b>	Land Bank of the Philippines
<b>IRA</b>	Internal Revenue Allotment	<b>LCAEC</b>	Local Convergence Agro-Enterprise Cluster
<b>I-REAP</b>	Investments in Rural Enterprises and Agriculture and Fisheries Productivity	<b>LCCAP</b>	Local Climate Change Action Plan
<b>IRR</b>	Implementing Rules and Regulation	<b>LCE</b>	Local Chief Executive
<b>ISFs</b>	Informal Settler Families	<b>LCPC</b>	Local Council for the Protection of Children
<b>ISLA</b>	Integrated Services for Livelihood Advancement of Fisherfolks	<b>LCUs</b>	Local Colleges and Universities
<b>ISO</b>	International Standard Organization	<b>LDC</b>	Local Development Council
<b>ITC</b>	Industrial Tripartite Council	<b>LDRRMC</b>	Local Disaster Risk Reduction and Management Council
<b>IUD</b>	Intrauterine Device	<b>LDRRMO</b>	Local Disaster Risk Reduction and Office
<b>IYCF</b>	Infant and Young Child Feeding	<b>LEGS</b>	Labor Education for Graduating Students
<b>ITeMA</b>	IT Enabled Maturity Assessment	<b>LFPR</b>	Labor Force Participation Rate
<b>IUUF</b>	Illegal, Unreported and Uncontrolled Fishing	<b>LGIA</b>	Local Grant-in-Aid
<b>JICA</b>	Japan International Cooperation Agency	<b>LGPMS</b>	Local Government Performance Management System
<b>JMC</b>	Joint Memorandum Circular	<b>LGSF</b>	Local Government Support Fund
<b>K to 12</b>	Kindergarten to Grade 12	<b>LGUs</b>	Local Government Units
<b>KALAHl</b>	Kapit Bisig Laban sa Kahirapan	<b>LHF</b>	Local Housing Fund
<b>KC</b>	KALAHl-CIDSS	<b>LHP</b>	Labor, Human Relations and Productivity
<b>KDZs</b>	Key Development Zones	<b>LLCS</b>	Labor Law Compliance System
<b>KEDP</b>	Kaanib Enterprise Development Project	<b>LMP</b>	Lifetime Members Program
<b>KSA</b>	Key Shelter Agency	<b>LPMC</b>	Local Project Monitoring Committee
<b>kv TL</b>	Kilovolt Transmission Line	<b>LPRAT</b>	Local Poverty Reduction Action Team
<b>LAD</b>	Land Acquisition and Distribution	<b>LRA</b>	Land Registration Authority
<b>LADP</b>	Laguindingan Airport Development Project	<b>LRC</b>	Local Revenue Code

<b>LSB</b>	Local School Board	<b>MIRAIC</b>	Metro Iligan Regional Agro-Industrial Center
<b>LSI</b>	Locally Sourced Income	<b>MNC</b>	Multinational Corporations
<b>LSP</b>	Local Shelter Plan	<b>MNCHN</b>	Maternal, Neonatal, Child, Health and Nutrition
<b>LTI</b>	Land Tenure Integration	<b>MNCIADP</b>	Mindanao North Coast Integrated Area Development Program
<b>LTO</b>	Land Transportation Office	<b>MOSCAT</b>	Misamis Oriental State College of Agriculture and Technology
<b>LTV</b>	Long-Term Vision	<b>MPA</b>	Masters in Public Administration
<b>LWUA</b>	Local Water Utilities Administration	<b>MPEX</b>	Manufacturing Productivity Enhancement for Export
<b>M&amp;E</b>	Monitoring and Evaluation	<b>MinPoCor</b>	Mindanao Power Corporation
<b>MASS-SPECC</b>	Mindanao Alliance of Self-Help Societies- Southern Philippines Educational Cooperative Center	<b>MPN</b>	Most Probable Number
<b>Mbps</b>	Megabits per second	<b>MPS</b>	Mean Percentage Scores
<b>MBTP</b>	Mindanao Backbone Transmission Project	<b>MRB</b>	Mindanao River Basin
<b>MCCT</b>	Modified Conditional Cash Transfer	<b>MRDP</b>	Mindanao Rural Development Program
<b>MCP</b>	Maternity Care Package	<b>MRF</b>	Materials Recovery Facility
<b>MCT</b>	Mindanao Container Terminal	<b>MRP</b>	Manufacturing Resurgence Program
<b>MDGs</b>	Millennium Development Goals	<b>MRS</b>	Mindanao Railway System
<b>MDR-TB</b>	Multi-Drug-Resistant Tuberculosis	<b>M&amp;Q</b>	Mining and Quarrying
<b>MEDP</b>	Missionary Electrification Development Plan	<b>MSEC</b>	Management Screening and Evaluation Committee
<b>MERS-CoV</b>	Middle East Respiratory Syndrome Coronavirus	<b>MSM</b>	Men having Sex with Men
<b>Mfg</b>	Manufacturing	<b>MSME</b>	Micro, Small and Medium Enterprise
<b>MPAFC</b>	Metro Food and Agri-based Production Cluster	<b>MSMEDC</b>	Micro, Small and Medium Enterprises Development Council
<b>MGB</b>	Mines and Geosciences Bureau	<b>MSU-IIT</b>	Mindanao State University-Iligan Institute of Technology
<b>MHOs</b>	Municipal Health Officers	<b>MT</b>	Metric Tons
<b>MILF</b>	Moro Islamic Liberation Front	<b>MT/Ha.</b>	Metric Tons per Hectare
<b>MIMAROPA</b>	Mindoro Masbate Romblon Palawan		
<b>MinSAAD</b>	Mindanao Sustainable Agrarian and Agriculture Development		

<b>MUST</b>	Mindanao University of Science and Technology	<b>NFA</b>	National Food Authority
<b>MW</b>	Mega Watts	<b>NFP</b>	Natural Family Planning
<b>NAAQGV</b>	National Ambient Air Quality Guideline Values	<b>NGCP</b>	National Grid Corporation of the Philippines
<b>NaLUA</b>	National Land Use Act	<b>NGO</b>	Non-Governmental Organization
<b>NAMRIA</b>	National Mapping and Resource Information Authority	<b>NGP</b>	National Greening Program
<b>NAPC</b>	National Anti-Poverty Commission	<b>NHA</b>	National Housing Authority
<b>NAPOLCOM</b>	National Police Commission	<b>NHIP</b>	National Health Insurance Program
<b>NAT</b>	National Achievement Test	<b>NHTPR</b>	National Household Threshold Poverty Registry
<b>NBN</b>	National Broadband Network	<b>NHTS-PR</b>	National Household Targeting System for Poverty Reduction
<b>NCC</b>	National Competitiveness Council	<b>NIA</b>	National Irrigation Administration
<b>NCC</b>	National Computer Center	<b>NCD</b>	Non-Communicable Diseases
<b>NCC</b>	National Compensation Circular	<b>NICCEP</b>	National Industry Cluster Capacity Enhancement Project
<b>NCCA</b>	National Commission on the Culture and the Arts	<b>NIHE</b>	National Intensification of Household Electrification
<b>NCCDP</b>	National Community Driven Development Program	<b>NIP</b>	National Irrigation Projects
<b>NCIP</b>	National Commission on Indigenous Peoples	<b>NIPAS</b>	National Integrated Protected Areas System
<b>NCMF</b>	National Commission on Muslim Filipinos	<b>NIS</b>	National Irrigation System
<b>NEA</b>	National Electrification Administration	<b>NLDC</b>	National Livelihood Development Cooperation
<b>NDF</b>	National Democratic Front	<b>NMIS</b>	National Meat Inspection Service
<b>NDP</b>	Nurse Deployment Project	<b>NMSC</b>	Northwestern Mindanao State College of Science and Technology
<b>NDHS</b>	National Demographic Health Survey	<b>NNC</b>	National Nutrition Council
<b>NEDA</b>	National Economic and Development Authority	<b>NOC</b>	Notice of Coverage
<b>NERBAC</b>	National Economic Research and Business Assistance Center	<b>NO<sub>2</sub></b>	Nitrogen Dioxide
<b>NETRC</b>	National Education Testing and Research Center	<b>NOAH</b>	Nationwide Operational Assessment of Hazards

<b>NOH</b>	National Objectives for Health	<b>NTC</b>	National Telecommunications Commission
<b>NOMCARRD</b>	Northern Mindanao Council for Agriculture, Forestry and Natural Resources Research and Development	<b>NTP</b>	National Tuberculosis Program
<b>NOMIARC</b>	Northern Mindanao Integrated Agricultural Research Center	<b>NYC</b>	National Youth Commission
<b>NorMin veggies</b>	Northern Mindanao Vegetable Producers Association	<b>O<sub>3</sub></b>	Ozone
<b>NorMinCIERD</b>	Northern Mindanao Consortium for Industry and Energy Research and Development	<b>OCD</b>	Office of the Civil Defence
<b>NorMinCoHRD</b>	Northern Mindanao Consortium for Health Research and Development	<b>ODs/CDs</b>	Open Dumpsites and/or Common Dumpsites
<b>NPA</b>	New People's Army	<b>ODSP</b>	OFW Dependents Scholarship Program
<b>NPAAD</b>	Network of Protected Areas for Agricultural Development	<b>OECD</b>	Organization for Economic Cooperation and Development
<b>NPC</b>	National Power Corporation	<b>OFWs</b>	Overseas Filipino Workers
<b>NRCO</b>	National Reintegration Center for OFWs	<b>OL</b>	Ovicidal/Larvicidal
<b>NRM</b>	Natural Resource Management	<b>OLA-MCTAP</b>	Operation of Laguindingan Airport-Mindanao Container Terminal Allied Projects
<b>NRW</b>	Non-Revenue Water	<b>O &amp; M</b>	Operations and Management
<b>NSC</b>	National Steel Corporation	<b>OPAPP</b>	Office of the Presidential Adviser on the Peace Process
<b>NSCB</b>	National Statistical Coordination Board	<b>OPT</b>	Operation Timbang
<b>NSO</b>	National Statistics Office	<b>OPV</b>	Open Pollinated Variety
<b>NSS</b>	National Spatial Strategy	<b>OSH</b>	Organizational Safety and Health
<b>NSRS</b>	National Skills Registry System	<b>OSHC</b>	Occupational Safety and Health
<b>NSTP</b>	National Science and Technology Plan	<b>OSY</b>	Out-of-School Youth
<b>NSWMC</b>	National Solid Waste Management Commission	<b>OTOP</b>	One Town One Product
<b>NSW</b>	National Single Window	<b>OWP</b>	Overseas Workers Program
		<b>PACC</b>	Public Assistance and Complaints
		<b>OWWA</b>	Overseas Workers Welfare Administration
		<b>PA</b>	Protected Area

<b>PADCC</b>	Philippine Agricultural Development and Commercial Corporation	<b>PCW</b>	Philippine Commission on Women
<b>PAGASA</b>	Philippine Atmospheric, Geophysical and Astronomical Services Administration	<b>PDAF</b>	Priority Development Assistance Fund
<b>PAGs</b>	Partisan Armed Groups	<b>PDNA</b>	Post Disaster Needs Assessment
<b>PAMANA</b>	Payapa at Masaganang Pamayanan Program	<b>PDP</b>	Philippine Development Plan
<b>PAMB</b>	Protected Area Management Board	<b>PDPFP</b>	Provincial Development and Physical Framework Plan
<b>PASUC</b>	Philippine Association of State Universities and Colleges	<b>PEF</b>	Peace and Equity Foundation
<b>PAWCZMS</b>	Protected Area, Wildlife Conservation Zone and Management Services	<b>PES</b>	Payments for Environmental Services
<b>PBD</b>	Program Beneficiaries Development	<b>PESFA</b>	Private Education Students Financial Assistance
<b>PBBP</b>	Panguil Bay Bridge Project	<b>PESO</b>	Public Employment Service Office
<b>PBDC</b>	Panguil Bay Development Council	<b>PEZA</b>	Philippine Economic Zone Authority
<b>PBE</b>	Professional Board Examinations	<b>PFA</b>	Priority Focus Area
<b>PBR</b>	Philippine Business Registry	<b>PFM</b>	Public Financial Management
<b>PCA</b>	Philippine Coconut Authority	<b>PFMAR</b>	Public Financial Management Assessment Report
<b>PCAARRD</b>	Philippine Council for Agriculture, Aquatic, and Natural Resources Research and Development	<b>PFS</b>	Philippine Financial System
<b>PCARRD</b>	Philippine Council for Agriculture, Forestry and Natural Resources Research and Development	<b>PGN</b>	Promote Good Nutrition
<b>PCF</b>	Performance Challenge Fund	<b>PHIC/PhilHealth</b>	Philippine Health Insurance Corporation
<b>PCIC</b>	Philippine Crop Insurance Corporation	<b>PhilCAT</b>	Philippine Coalition Against Tuberculosis
<b>PCUP</b>	Presidential Commission for the Urban Poor	<b>PhilCEC</b>	Philippine Community e-Center
		<b>PHIVOLCS</b>	Philippine Institute of Volcanology and Seismology
		<b>PHN</b>	Public Health Nurse
		<b>PHP</b>	Philippine Pesos
		<b>PIA</b>	Philippine Information Agency

<b>PIE-MO</b>	PHIVIDEC Industrial Estate-Management Office	<b>PPP</b>	Public-Private Partnership
<b>PIN</b>	Personal Identification Number	<b>PPP/BOT</b>	Public-Private-Partnership/Build-Operate-Transfer
<b>PIP</b>	Public Investment Program	<b>PR</b>	Participation Rate
<b>PLDT-</b>	Philippine Long Distance	<b>PRC</b>	Professional Regulatory Commission
<b>PhilCom</b>	Telecommunications – Philippine Global Communications	<b>PRDP</b>	Philippine Rural Development Program
<b>PL/PLS</b>	Protected Landscapes/Seascapes	<b>PRIMEX</b>	Pacific Rim Innovation and Management Exponents, Inc.
<b>PM<sub>10</sub></b>	Particulate Matter of 10 Microns in Size	<b>PSA</b>	Philippine Statistics Authority
<b>PLPEM</b>	Provincial/Local Planning and Expenditure Management	<b>PSAE</b>	Poverty Small Area Estimates
<b>PM<sub>2.5</sub></b>	Particulate Matter 2.5 Micrometers in diameter	<b>PSALM</b>	Power Sector Assets and Liabilities Management
<b>PMSMEDC</b>	Provincial Micro, Small and Medium Enterprises Development Council	<b>PSGs</b>	Policies, Standards and Guidelines
<b>PN</b>	Prenatal	<b>PSTC</b>	Provincial Science and Technology Centers
<b>PNP</b>	Philippine National Police	<b>PSU</b>	Public Sector Unionism
<b>PO</b>	Private Organization	<b>PWD</b>	Persons with Disability
<b>PopCom</b>	Commission on Population	<b>PWPA</b>	Philippine Wood Processors Association
<b>PopDev</b>	Population Development	<b>PWS</b>	Potable Water System
<b>POs</b>	People’s Organizations	<b>QMS</b>	Quality Management System
<b>POEA</b>	Philippine Overseas Employment Agency	<b>QRES</b>	Quarterly Regional Economic Situationer
<b>POT</b>	Package of Technologies	<b>QTA</b>	Quick Turn Around
<b>POW</b>	Program of Works	<b>QUEDANCOR</b>	The Quedan and Rural Credit Guarantee Corporation
<b>PP</b>	Presidential Proclamation	<b>R&amp;C</b>	Rural and Cooperative Banks
<b>PPA</b>	Philippine Ports Authority	<b>R&amp;D</b>	Research and Development
<b>PPA-DOJ</b>	Parole and Probation-Department of Justice	<b>R2R</b>	Ridge-to-Reef
<b>PPA-PMOs</b>	Philippine Ports Authority-Port Management Offices	<b>RA</b>	Republic Act
<b>PPC</b>	Philippine Postal Corporation	<b>RATE</b>	Run After Tax Evaders
<b>PQF</b>	Philippine Qualifications Framework	<b>RATS</b>	Run After the Smugglers
<b>PPMD</b>	Public-Private Mix DOTs		

<b>RAIN</b>	Roadmap to Address the Impact of El Niño	<b>RQI</b>	Regional Quality Infrastructure
<b>RCI</b>	Regional Convergence Initiative	<b>RPOC-TWG</b>	Regional Peace and Order Council-Technical Working Group
<b>RDC-X</b>	Regional Development Council-Region X	<b>RPRH</b>	Responsible Parenthood and Reproductive Health
<b>RDP</b>	Regional Development Plan	<b>RRB</b>	Ranao River Basin
<b>RDRRRMC</b>	Regional Disaster Risk Reduction and Management Council	<b>RRDCC</b>	Regional Research and Development Coordinating Committee
<b>RHM</b>	Rural Health Midwife	<b>RSET</b>	Regional Social and Economic Trends
<b>RHMPP</b>	Rural Health Midwives Placement Program	<b>RSTL</b>	Regional Standards and Testing Laboratories
<b>RHU</b>	Rural Health Unit	<b>RTIPC</b>	Regional Tripartite Industrial Peace Council
<b>RI</b>	Rural Infrastructure	<b>S&amp;T</b>	Science and Technology
<b>RIRDEAP</b>	Regional Integrated Research, Development and Extension Agenda and Program	<b>SAC</b>	Social Action Center
<b>RM</b>	Results Matrix	<b>SAFDZs</b>	Strategic Agriculture and Fisheries Development Zones
<b>RIPE</b>	Regional Intervention Programs in the Elementary	<b>SALINTUBIG</b>	Sagana at Ligtas na Tubig sa Lahat
<b>RMSMEDC</b>	Regional Micro, Small and Medium Enterprises Development Council	<b>SALT</b>	Sloping Agricultural Land Technology
<b>RN</b>	Registered Nurses for	<b>SARED</b>	Sustainable Agribusiness and Rural Enterprise Development
<b>HEALS</b>	Health Enhancement and Local Service	<b>SARS</b>	Severe Acute Respiratory Syndrome
<b>RORO</b>	Roll-On/Roll-Off	<b>SBA</b>	Skilled Birth Attendant
<b>ROW</b>	Right-of-Way	<b>SDAs</b>	Strategic Development Areas
<b>RNP</b>	Range Natural Park	<b>SDGs</b>	Sustainable Development Goals
<b>ROD-LRA</b>	Register of Deeds-Land Registration Authority	<b>SDN</b>	Service Delivery Network
<b>RPM</b>	Responsible Parenting Movement	<b>SEA-K</b>	Self-Employment Assistance-Kaunlaran
<b>RPMC</b>	Regional Project Monitoring Committee	<b>SEC</b>	Securities and Exchange Commission
<b>RPMES</b>	Regional Project Monitoring and Evaluation System	<b>SEP</b>	Sitio Electrification Program



<b>SETUP</b>	Small Enterprise Technology Upgrading Program	<b>SSF</b>	Shared Service Facility
<b>SGLG</b>	Seal of Good Local Governance	<b>SSGP</b>	Special Study Grant Program
<b>SFMA</b>	Sustainable Forest Management Act	<b>SSS</b>	Social Security System
<b>SHAPE</b>	Sexually Healthy and Personally Effective	<b>SSIP</b>	Small-scale Irrigation Projects
<b>SHES</b>	Safety and Health, Environment and Social Programs	<b>STARBOOKS</b>	Science and Technology Academic and Research-Based Openly Operated Kiosk Station
<b>SHFC</b>	Social Housing Finance Corporation	<b>STEM</b>	Science, Technology, Engineering and Mathematics
<b>SHS</b>	Senior High School	<b>STEP</b>	Special Training for Employment Program
<b>SIKAT</b>	School of Indigenous Knowledge, Arts and Traditions	<b>STI</b>	Science, Technology and Innovation
<b>SILCAB</b>	Social Infrastructure and Local Capability-Building	<b>STIFRMSP</b>	Sustainable Traditional And Indigenous Forest Resources Management Systems And Practices
<b>SLF</b>	Sanitary Landfill	<b>StuFAP</b>	Student Financial Assistance Program
<b>SLDR</b>	State of Local Development Report	<b>SUCs</b>	State Universities and Colleges
<b>SLGPR</b>	State of Local Governance Performance Electronic Report	<b>SWDI</b>	Social Welfare and Development Indicator
<b>SLP</b>	Sustainable Livelihood Program	<b>SWI</b>	Social Welfare Indicator
<b>SLTO</b>	Special License To Operate	<b>SWM</b>	Solid Waste Management
<b>SMEDC</b>	Small and Medium Enterprises Development Councils	<b>SWOT</b>	Strengths, Weaknesses, Opportunities, Threats
<b>SMFI</b>	San Miguel Foods Incorporated	<b>SWMP</b>	Solid Waste Management Plan
<b>SNPLP</b>	Study Now Pay Later Plan	<b>SY</b>	School Year
<b>SO<sub>2</sub></b>	Sulphur Dioxide	<b>TARGET</b>	Target Action to Reduce Poverty and Generate Economic Transformation
<b>SP</b>	Social Protection	<b>TB</b>	Tuberculosis
<b>SPed</b>	Special Education	<b>TBCTP</b>	Technology-based Community Training Program
<b>SPES</b>	Special Program for the Employment of Students	<b>TBI</b>	Technology Business Incubator
<b>SPG</b>	Student Supreme Pupil Government		
<b>SPP</b>	Social Pension Program		

<b>Tech4ED</b>	Technology for Education to gain Employment and Empower Entrepreneurs toward Economic Development	<b>TVIs</b>	Technical Vocational Institutions
<b>TCS</b>	Transport, Storage and Communication	<b>TWG</b>	Technical Working Group
<b>TCVD</b>	Tax Compliance Verification Drives	<b>TWSP</b>	Training for Work Scholarship Program
<b>TDA</b>	Tourism Destination Areas	<b>U&amp;C</b>	Universal and Commercial Banks
<b>TCMS</b>	Traffic Congestion Management System	<b>UBOM</b>	Updated Budget Operations Manual
<b>TESDA</b>	Technical Education and Skills Development Authority	<b>U4U</b>	Your-for-You
<b>TEU</b>	Twenty-foot Equivalent Unit	<b>UDHA</b>	Urban Development and Housing Act
<b>TEZ</b>	Tourism Enterprise Zones	<b>ug/Ncm</b>	Micrograms Per Normal Cubic Meter
<b>TESD</b>	Technical Education Skills Development	<b>UHC</b>	Universal Health Care
<b>TFI</b>	Task Force Informatics	<b>UNESCO</b>	United Nations Educational, Scientific and Cultural Organization
<b>TFR</b>	Total Fertility Rate	<b>UniFAST</b>	Unified Student Financial Assistance System for Tertiary Education
<b>TGP</b>	Techno <i>Gabay</i> Program	<b>UNSIAP</b>	United Nations Statistical Institute for Asia and Pacific
<b>THE</b>	Technology and Home Economics	<b>UPA</b>	Urban Poor Associations
<b>TIEZA</b>	Tourism Infrastructure and Enterprise Zone Authority	<b>UPLB</b>	University of the Philippines, Los Baños
<b>TOT</b>	Training of Trainors	<b>USTP</b>	University of Science and Technology in Southern Philippines
<b>TOUCH Foundation</b>	Technology Outreach and Community Help Foundation, Inc.	<b>UTPRAS</b>	Unified TVET Program Registration and Accreditation System
<b>TRB</b>	Tagoloan River Basin	<b>VMIP</b>	Visayas-Mindanao Interconnection Project
<b>TS</b>	Tropical Storm	<b>VPA</b>	Volunteer Probation Aides
<b>TSP</b>	Total Suspended Particulates	<b>WAC</b>	Waste Assessment and Characterization
<b>TSS</b>	Total Suspended Solids	<b>WB</b>	World Bank
<b>TT</b>	Tetanus Toxoid	<b>WESM</b>	Wholesale Electricity Spot Market
<b>TUPAD</b>	Tulong Panghanapbuhay sa Ating Disadvantaged workers	<b>WHO</b>	World Health Organization
<b>TVET</b>	Technical Vocational Education and Training		

<b>WELL</b>	Welfare, Employment, Legal and Livelihood
<b>WIE</b>	Workers in the Informal Economy
<b>WLMS</b>	Water Level Monitoring Systems
<b>WPP</b>	Wood Processing Permit
<b>WQMAS</b>	Water Quality Management Areas
<b>XU</b>	Xavier University
<b>YAFS</b>	Young Adult Fertility and Sexuality Survey
<b>YES</b>	Youth Entrepreneurship Support
<b>YP4SC</b>	Youth Profiling for Starring Careers

# Secretariat

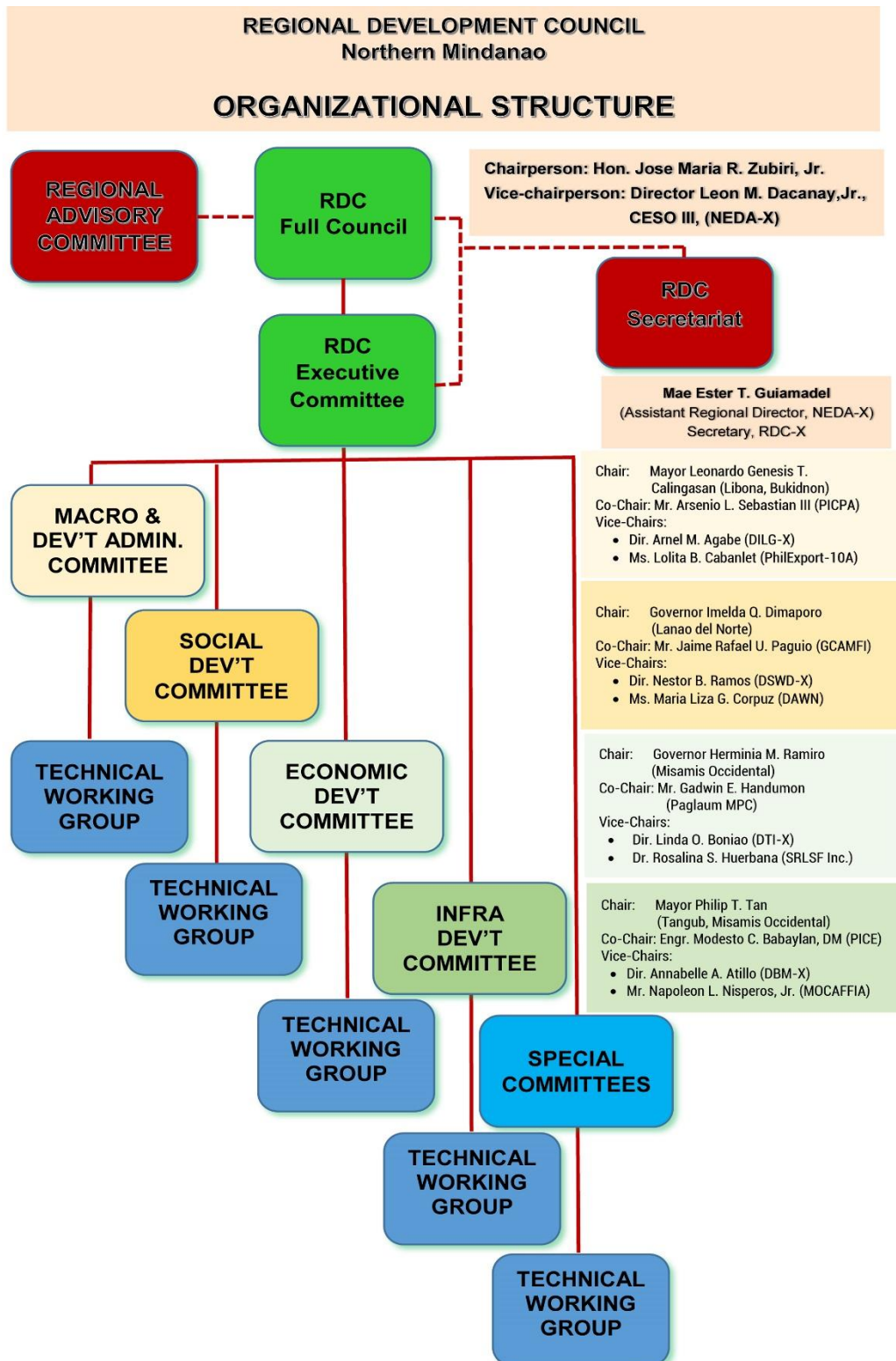
RDC-X SECRETARIAT NEDA REGIONAL OFFICE-10	
OFFICE DIVISION STAFF	INPUTS PROVIDED/TASKS UNDERTAKEN
<b>Office of the Regional Director</b>	
<b>RD Leon M. Dacanay, Jr. CESO III</b>	Overall Directions and Guidance
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**RDC-X SECRETARIAT  
NEDA REGIONAL OFFICE-10**

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# The Regional Development Council - X



# Planning Committees

COMPOSITION OF THE RDC-X COMMITTEES		
SECTORAL COMMITTEES		
1. Macro and Development Administration Committee (MacroCom)-X	RLAs: BSP, DOF-BLGF, DBM, DFA, BIR, CDA, CSC, DOLE, PSA, DOJ, OCD, PIA, PNP, 4 <sup>th</sup> ID-PA, NICA, PMS, OPAPP, BOC, PSRs: AWATU-TUCP, Sumpay Mindanao Inc., Balay Mindanao Foundation Inc., Muslim Christian Agency for Advocacy, Relief and Development, Inc.	
2. Social Development Committee (SDC)-X	RLAs: CHED, DepEd, DOH, TESDA, DSWD, DILG, HUDCC, NNC, PHIC, PopCom, NCIP, NYC, NCMF, PCUP, NHA, SSS, GSIS, HLURB, OWWA, SHFC, HDMF, SUCs: CMU, PSRs: GCAMFI, ALU-TUCP, DAWN Inc., FKR Philippines Inc., GROUP Inc., HACI d Oro Inc., PMHA, OHH	
3. Economic Development Committee (EDC) - X	RLAs: DA, BFAR, PCA, NFA, DOT, DENR, DAR, EMB, MGB, DOST, DTI PSRs: LAFCCOD, Oro Chamber, TOUCH Foundation, EcoWEB Inc., CAFFINORMIN, PALAG-MINDANAO Inc., PIE-MO IA, COHARA, Landcare Foundation, MASS-SPECC, MSU-IIT NMPC, XSF Inc., PAGLAUM MPC, Safer River Life Saver Foundations Inc.	
4. Infrastructure Development Committee (InfraCom)-X	RLAs: CAAP, DPWH, LTO, LTRFB, PPA PMO (MisOr/CDO, LdN/Iligan, MisOcc/Ozamis), MARINA, PHIVIDE, DICT, NTC, PPC, DOE, NEA, NGCP, NPC, PSALM, COWD, LWUA, NIA PSRs: PICE, SHDA-NMC, UAP-CDO, MOCAFFIA	
SPECIAL COMMITTEES		
Regional Land Use Committee (RLUC-X), Regional Project Monitoring Committee (RPMC-X) and Regional Statistical Committee (RSC)		
5 Provinces, 2 HUCs, 7 Component Cities and Capital Towns, and the League of Municipalities in the Philippines		
1. GOV. JOSE MARIA R. ZUBIRI (Bukidnon)		
2. GOV. MARIA LUISA D. ROMUALDO (Camiguin)		
3. GOV. IMELDA Q. DIMAPORO (Lanao del Norte)		
4. GOV. HERMINIA M. RAMIRO (Misamis Occidental)		
5. GOV. YEVGENY VICENTE B. EMANO (Misamis Oriental)		
6. Mayor OSCAR S. MORENO (Cagayan de Oro City)		
7. Mayor CELSO G. REGENCIA (Iligan City)		
8. Mayor EDGAR S. LIGNES (El Salvador City)		
9. Mayor MARIE L. GUINGONA (Gingoog City)		
10. Mayor IGNACIO W. ZUBIRI (Malaybalay City)		
11. Mayor JASON P. ALMONTE (Oroquieta City)		
12. Mayor REYNALDO O. PAROJINOG, SR (Ozamis City)		
13. Mayor PHILIP T. TAN (Tangub City)		
14. Mayor AZUCENA P. HUERVAS (Valencia City)		
15. Mayor LEONCIO C. BAGOL (Municipality of Tubod, Lanao del Norte)		
16. Mayor JURDIN JESUS M. ROMUALDO (Municipality of Mambajao, Camiguin)		
17. Mayor LEONARDO GENESIS T. CALINGASAN (Municipality of Libona, Bukidnon)		
18. Mayor ALLAN J. LIM (Municipality of Lala, Lanao del Norte)		
19. Mayor MICHAEL P. GUTIERREZ (Municipality of Lopez Jaena, Misamis Occidental)		
20. Mayor JENNIE ROSALIE T. UY (Municipality of Villanueva, Misamis Oriental)		



# **REGIONAL DEVELOPMENT PLAN 2017-2022**

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