

REPORT ON
**REGIONAL
ECONOMIC
DEVELOPMENTS**
IN THE
PHILIPPINES
2017



Department of Economic Research
Regional Operations Sub-Sector

BANGKO SENTRAL NG PILIPINAS

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Executive Summary

The Philippine economy continued its solid growth track, posting a 6.7 percent gross domestic product (GDP) expansion in 2017, within the growth target range of the national government (NG) of 6.5 percent to 7.5 percent. All regions exhibited positive performance in 2017, led by CAR, Davao Region, Western Visayas, SOCCSKSARGEN, ARMM, Cagayan Valley, CALABARZON, MIMAROPA and Caraga.

Growth in the regions has been broad-based and benefited largely from the remarkable improvement in the agriculture sector. Favorable weather conditions and sufficient water supply supported strong yields of major crops. *Palay* and corn production grew by 16.2 percent and 9.6 percent in 2017, from previous year's contraction of 4.5 percent and 4.0 percent, respectively. Swine and fish production grew, albeit, at a slower pace while chicken production rose amid high demand for poultry products in Eastern and Central Visayas, Zamboanga Peninsula and Caraga regions. However, cattle production contracted in 2017 due to typhoon damage, incidence of animal deaths, less stocks available, and unfavorable market prices, among others.

In the industry sector, construction activity weakened in 2017. The number of approved building permits and construction of new residential buildings declined by 5.0 percent and 9.4 percent, respectively, during the year. The decline in construction activity was most apparent in Negros Island Region and Central Visayas. Weather-related concerns (e.g., frequent typhoons and seismic movements) were cited as major drawbacks to infrastructure activities.

In the financial services sector, aggregate credit activity showed improvement. Nonetheless, the increase in deposits outpaced the rise in loan portfolios resulting in lower loans-to-deposits ratios (LDRs) across all regions in 2017. Bank density ratios of all regions likewise increased compared to the 2016 levels. The number of microfinance service providers in the country steadily increased as well for most regions, reaching 1,057 in 2017, a year-on-year growth of 29.5 percent. Central Visayas led the regions with the growth in microfinance-oriented banks or MOBs (228.6 percent) in 2017, followed by Cagayan Valley (185.7 percent) and SOCCSKSARGEN (180 percent).

Meanwhile, the national employment rate was relatively steady, registering 94.3 percent from the previous year's 94.6 percent. The highest rates of employment were recorded in the regions of Cagayan Valley, ARMM, Zamboanga Peninsula and SOCCSKARGEN. In 2017, national unemployment and underemployment rates reached 5.7 percent and 16.1 percent, respectively. Notable improvements in underemployment were recorded in the regions of

Northern Mindanao, CAR, and Eastern Visayas. A Box Article to this Report looked into the relationship between unemployment and poverty incidence in the regions. The article specifically discussed factors explaining the trend disparities in these indicators across the regions.

In 2017, receipts and expenditures by Local Government Units (LGUs) reached ₱564.9 billion and ₱465.9 billion, respectively. Of the total receipts, 71.1 percent came from external sources (97.2 percent of which were accounted for internal revenue allotment (IRA)), local revenues (28.1 percent), and non-income receipts (0.7 percent). Of the total LGU receipts, 12.8 percent came from CALABARZON, 12.7 percent from NCR and 9.4 percent from Central Luzon. Meanwhile, total LGU expenditures were spent for general services, 48.9 percent; social services, 24.3 percent; economic services, 22.1 percent; and debt services (4.7 percent). Of the total LGU expenditures, CALABARZON spent 14.1 percent; NCR, 13.6 percent; and Central Luzon, 10.4 percent.

Average annual inflation rates in most regions escalated in 2017. Of the 17 regions, 12 posted notable increases from the previous year. Despite the acceleration, majority (a total of 12) of these regions' inflation rates remained within the national government's inflation target range of 3.0 percent \pm 1.0 percentage point during the year.

The combined approved foreign and Filipino nationals' investments in the country grew by 32.5 percent in 2017, after consecutive declines in 2015 and 2016. Ilocos Region led the recovery with a growth of 256.1 percent, Cagayan Valley with 163.6 percent and Caraga with 117.1 percent. However, approved foreign investments (FIs) in the country contracted in 2017 by 51.8 percent, continuing the slide from 2016. Most of the regions (14 out of 17) experienced declines in approved FIs.

Moving forward, key challenges to regional development remain, including the adverse impact of extreme weather-related disturbances, particularly for regions which are dependent on the agriculture sector. Other issues include the need for adequate and reliable infrastructure and connectivity. On the upside, efforts to improve ease of doing business are expected to attract more investments and encourage entrepreneurial activities in local industries. Timely implementation of infrastructure and road projects as well as rehabilitation of existing airports and seaports are likewise anticipated to promote tourism and further boost competitiveness and productivity in the regions. ■

Foreword

In June 2005, the Monetary Board approved the release of the maiden issue of the BSP's Report on Regional Economic Developments in the Philippines. The report widens the scope of the BSP's market surveillance, adding a geographic dimension to the economic indicators that it monitors regularly. The analysis of regional trends and developments are valuable inputs in monetary policy formulation and financial supervision.

The report tracks economic developments in the regions, focusing on demand and supply conditions, monetary and price developments as well as the emerging economic outlook. It helps confirm the results of the business and consumer expectations surveys conducted by the BSP. Moreover, identifying opportunities and challenges faced by the different regions enhances further the BSP's forward-looking and proactive approach to monetary policy.

Regional performance is gauged using developments in output, prices, and employment. Selected key indicators in each of the major sectors of the economy are the focus of the surveillance. Agriculture covers rice and corn, livestock, fishery, and poultry production. In the industry sector, the number of building permits and housing starts are used to measure construction activity; while developments in the banking system are used to analyze the services sector. Also included in this Report are trends in local governments' receipts and expenditures, approved investments as well as microfinance activities.

Qualitative and quantitative information used in the report are collected from primary and secondary sources, reflecting the extensive information gathered by the BSP regional offices and branches. ■

BSP Regional Offices and Branches¹



¹ BSP Regional Offices are located in Regions 1 (La Union), VI (Cebu) and XI (Davao). There are BSP branches/offices located in Regions I-XII. These offices/branches have currency units which handle cash transactions in the region.

Philippines: Regional Composition

As of 31 December 2017²

Region	Provinces
National Capital Region (NCR)	Cities of Caloocan, Las Piñas, Makati, Malabon, Mandaluyong, Manila, Marikina, Muntinlupa, Navotas, Parañaque, Pasay, Pasig, Quezon, San Juan, Taguig and Valenzuela, and the Municipality of Pateros
Cordillera Administrative Region (CAR)	Abra, Benguet, Ifugao, Kalinga Apayao, and Mountain Province
Region I – Ilocos Region	Ilocos Norte, Ilocos Sur, La Union, and Pangasinan
Region II – Cagayan Valley	Batanes, Cagayan, Isabela, Nueva Vizcaya, and Quirino
Region III – Central Luzon	Aurora, Tarlac, Pampanga, Zambales, Bataan, Nueva Ecija, and Bulacan
Region IV A – CALABARZON (Cavite, Laguna, Batangas, Rizal, and Quezon)	Cavite, Laguna, Batangas, Rizal, and Quezon
Region IV-B MIMAROPA (Mindoro, Marinduque, Romblon, and Palawan)	Occidental Mindoro, Oriental Mindoro, Marinduque, Palawan, and Romblon
Region V – Bicol Region	Camarines Norte, Camarines Sur, Albay, Masbate, Sorsogon, and Catanduanes
Region VI – Western Visayas	Iloilo, Antique, Guimaras, Aklan, Negros Occidental and Capiz
Region VII – Central Visayas	Bohol, Cebu, Negros Oriental and Siquijor
Region VIII – Eastern Visayas	Leyte, Southern Leyte, Biliran, Eastern Samar, Northern Samar, and Samar (Western Samar)
Region IX – Zamboanga Peninsula	Zamboanga Sibugay, Zamboanga del Norte, and Zamboanga del Sur

Region	Provinces
Region X – Northern Mindanao	Bukidnon, Camiguin, Misamis Oriental, Misamis Occidental, and Lanao del Norte
Region XI – Davao Region	Davao City, Davao del Norte, Davao del Sur, Davao Oriental, and Compostela Valley, Davao Occidental
Region XII – SOCCSKSARGEN (South Cotabato, Cotabato, Sultan Kudarat, Sarangani and General Santos City)	Cotabato (North Cotabato) South Cotabato, Sultan Kudarat Province and Sarangani
Region XIII – Caraga	Agusan del Norte, Agusan del Sur, Surigao del Norte, and Surigao del Sur, Dinagat Islands
ARMM (Autonomous Region in Muslim Mindanao)	Basilan, Lanao del Sur, Sulu and Tawi-Tawi, and Maguindanao Province

² The Negros Island Region (NIR) was abolished through Executive Order No. 38 –“Revoking Executive Order No. 183 (s. 2015) which Created a Negros Island Region and for Other Purposes”, signed by President Rodrigo Roa Duterte on 07 August 2017. The abolition of NIR reverted the provinces, cities, municipalities, and barangays of Negros Occidental and Negros Oriental to Region VI (Western Visayas) and Region VII (Central Visayas), respectively. <https://psa.gov.ph/content/psgc-3rd-quarter-2017-updates-abolition-negros-island-region-nir>

Key Regional Developments

Real Sector

Gross Regional Domestic Product

Philippine Gross Domestic Product (GDP) posted a 6.7 percent growth in 2017 supported by the positive economic performance of all seventeen regions. Notably, seven of the regions have posted growth rates that were higher than the national average GDP growth, namely: CAR (12.1 percent), Davao (10.9 percent); Central Luzon (9.3 percent); Western Visayas (8.4 percent); SOCCSKSARGEN (8.2 percent); ARMM (7.3 percent) and Cagayan Valley (7.2 percent). By

Table 1. Gross Regional Domestic Product (GRDP)
Growth rate and share to total production, in percent

Region	Growth rate			Share to total		
	2015	2016	2017	2015	2016	2017
PHILIPPINES	6.1	6.9	6.7	100	100	100
1 NCR	6.7	7.4	6.1	36.5	36.6	36.4
2 CAR	4.0	2.3	12.1	1.8	1.7	1.8
3 Ilocos Region (I)	5.4	8.5	5.8	3.1	3.2	3.1
4 Cagayan Valley (II)	4.1	3.8	7.2	1.8	1.7	1.7
5 Central Luzon (III)	5.6	9.5	9.3	9.3	9.5	9.7
6 CALABARZON (IV-A)	5.8	4.8	6.7	17.1	16.8	16.8
7 MIMAROPA (IV-B)	2.0	2.6	6.2	1.6	1.5	1.5
8 Bicol Region (V)	8.9	5.5	5.1	2.0	2.0	2.0
9 Western Visayas (VI)	8.8	5.9	8.4	4.0	4.0	4.0
10 Central Visayas (VII)	4.9	8.6	5.1	6.4	6.5	6.4
11 Eastern Visayas (VIII)	4.6	12.0	1.8	2.0	2.1	2.0
12 Zamboanga Peninsula (IX)	7.7	4.6	2.3	2.1	2.0	1.9
13 Northern Mindanao (X)	5.7	7.5	5.9	3.7	3.8	3.7
14 Davao Region (XI)	8.2	9.5	10.9	4.0	4.1	4.3
15 SOCCSKSARGEN (XII)	3.3	4.9	8.2	2.7	2.6	2.7
16 Caraga	4.5	2.0	4.3	1.3	1.2	1.2
17 ARMM	-0.4	0.4	7.3	0.7	0.6	0.6

Source: Philippine Statistics Authority (PSA)

All regions register positive economic expansions with CAR, Davao and Central Luzon growing the fastest

contrast, the regions that posted the slowest growth rates in 2017 were Eastern Visayas (1.8 percent) and Zamboanga Peninsula (2.3 percent).

The acceleration of growth in the CAR region was supported by expansions in its industry and services sectors. Lending strong support to the growth of these sectors were the robust performance of the region's exports sector amid increased global demand for electronics, fabricated metals and call center services, among others. Under the Philippine Economic Zone Authority (PEZA), a total of US\$2.9 billion worth of export products were recorded in the region for 2017, which represented a 75.3 percent increase compared to the previous year's level. Meanwhile, investments from large firms such as stock corporations and partnerships also rose amid continued favorable business environment in the area. In 2017, the region was the recipient of ₱299.4 million worth of investments as registered by the Securities and Exchange Commission (SEC), 28.9 percent higher than the previous year's inflows. Moreover, the number of stock corporations in the region rose from 141 to 165 and business partnerships from 62 to 72 as reflected in the number of registrants. PEZA also recorded ₱145.1 million incremental investments from the Baguio City Economic Zone (BCEZ) and Abanao Square IT Center specifically for call centers and real estate activities in the region.

On the contrary, the Eastern Visayas region exhibited a significant slowdown in GRDP growth to 1.8 percent from the previous year's growth of 12.0 percent. The deceleration was linked mainly to the contraction of the industry sector by 1.7 percent in 2017 from a 19.5 percent growth a year ago. This was on the back of the negative performance posted by the utilities, construction, and mining and quarrying subsectors. The region's services and agriculture sectors also slowed down during the year amid the adverse effects of natural disasters that hit the region in 2017. These include, among others, the 6.5-magnitude earthquake in July 2017 that damaged the geothermal power plant in Leyte and resulted in total power shutdown in Eastern Visayas for three weeks and losses of ₱37.8 million by the power

NCR, CALABARZON and Central Luzon account for the largest share of national output

sector at the time and typhoon Urduja in December 2017, which brought floods and landslides, destroying roads and bridges, particularly in Samar and Biliran provinces.

In terms of share to total GDP, the National Capital Region (NCR) continued to account for more than a third of the total GDP (36.4 percent). The other two major contributing regions were CALABARZON (which accounted for 16.8 percent of the 2017 GDP) and Central Luzon (9.7 percent).

By economic activity, Central Luzon accounted for the biggest share in overall agriculture, hunting, forestry and fishing (AHFF) sector, comprising 16.3 percent of the country's total AHFF output. Central Luzon's top agricultural products included palay, chicken, hog, tiger prawn and tilapia. CALABARZON also had a substantial share in the country's AHFF sector (10.0 percent) followed by Northern Mindanao (9.5 percent).

In the industry sector, CALABARZON remained the primary regional hub of industrial activities as it accounted for 30.6 percent of the country's total industrial production. The region's manufacturing and construction sub-sectors provided a solid backbone for the region's industrial activities and overall economic performance particularly in 2017. Meanwhile, the NCR was second biggest contributor to the country's industrial output (accounting for 19.0 percent of the total industry output in 2017) while Central Luzon placed third (13.8 percent).

In the services sector, the NCR remained the largest provider of services-related activities, accounting for more than half (52.1 percent) of the country's total services sector output. Growth in the NCR's services sector continued to be supported by the robust performance of trade, real estate, renting and business activities, financial intermediation and manufacturing activities. CALABARZON followed with a 9.6 percent share to total services output and Central Luzon with 6.4 percent.

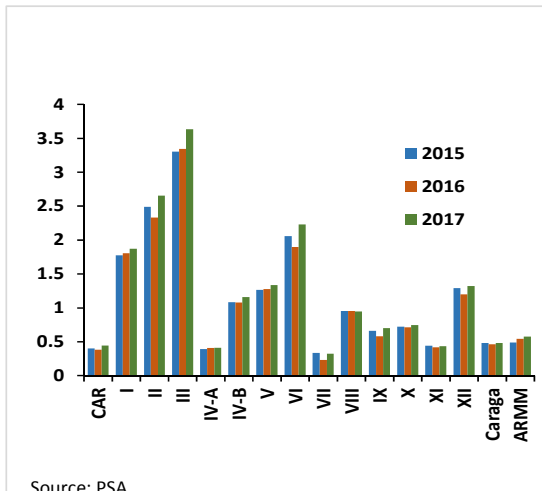
Agriculture, Livestock, Poultry and Fishery

Palay. *Palay* production improved nationwide and grew by 16.2 percent in 2017 from a contraction in 2016. The improved performance of *palay* production could be attributed to favorable weather conditions and sufficient supply of water across regions.

Palay production improves due to favorable weather conditions and adequate water supply

Chart 1. Palay Production

in million metric tons



Almost all regions, except for Eastern Visayas, posted expansion in their palay production in 2017. Double-digit growth rates were seen in Central Visayas (40.2 percent), Zamboanga Peninsula (20.6 percent), Western Visayas (17.6 percent), CAR (16.2 percent) and Cagayan Valley (13.9 percent). The improvement in these regions was due to the following factors:

- Good weather conditions in Cagayan Valley and Western Visayas;
- Increase in land utilized for the planting of palay in Cagayan Valley and Zamboanga Peninsula;
- Sufficient delivery of water as a result of rehabilitation of irrigation facilities (e.g., communal irrigation systems and functional small reservoir irrigation projects) in the cities of Bayawan, Canlaon, Zamboanguita, Dauin and Valencia in Central Visayas, in the provinces of Cagayan Valley and Western Visayas;
- Provision of fertilizer and crop protection support from the Department of Agriculture and local government units (LGUs) in Western Visayas and Zamboanga Peninsula;
- Increase in area harvested in Western Visayas; and
- Improvement in average yield per hectare brought about by the use of newly introduced hybrid seed varieties such as Bigante, Longpin and SL8 in Cagayan Valley, Western Visayas, Central Visayas and Zamboanga Peninsula.

The decline in *palay* production in Eastern Visayas (-1.0 percent) could be traced to the occurrence of rains during the vegetative and reproductive stages of the crop.

Table 2. Palay Production

Growth rate and share to total production, in percent

REGION	Growth Rate			Share to total production		
	2015	2016	2017	2015	2016	2017
PHILIPPINES	-4.3	-4.5	16.2	100.0	100.0	100.0
1 CAR	-11.4	-4.5	16.2	2.2	2.2	2.3
2 Ilocos Region (I)	-1.1	1.6	3.7	9.8	10.2	9.7
3 Cagayan Valley (II)	-1.0	-6.3	13.9	13.7	13.2	13.8
4 Central Luzon (III)	-12.2	1.2	8.7	18.2	19.0	18.9
5 CALABARZON (IV-A)	-3.1	3.6	0.9	2.2	2.3	2.1
6 MIMAROPA (IV-B)	0.0	-0.1	7.4	6.0	6.1	6.0
7 Bicol Region (V)	0.5	0.9	4.7	7.0	7.2	6.9
8 Western Visayas (VI)	0.2	-7.8	17.6	11.3	10.8	11.6
9 Central Visayas (VII)	-0.8	-31.0	40.2	1.9	1.3	1.7
10 Eastern Visayas (VIII)	-2.7	-0.1	-1.0	5.3	5.4	4.9
11 Zamboanga Peninsula (IX)	0.8	-12.2	20.6	3.6	3.3	3.6
12 Northern Mindanao (X)	1.6	-1.9	4.8	4.0	4.0	3.9
13 Davao Region (XI)	-2.3	-5.4	3.8	2.4	2.4	2.2
14 SOCCSKSARGEN (XII)	-5.4	-7.0	9.9	7.1	6.8	6.8
15 Caraga	-16.2	-4.0	4.4	2.7	2.6	2.5
16 ARMM	-12.4	11.5	6.2	2.7	3.1	3.0

Source: PSA

Corn production recovers

Corn. Corn production recovered in 2017, growing by 9.6 percent from a contraction of 4.0 percent in 2016. The improvement was due mainly to favorable weather conditions during the year.

Large increases in corn production were registered for ARMM (42.5 percent), CAR (21.8 percent), Davao Region (17.2 percent); Bicol Region (10.7 percent), SOCCSKSARGEN (9.9 percent), Ilocos Region (9.5 percent) and Cagayan Valley (9.5 percent). The recovery in these regions was attributed to:

- Favorable weather conditions in CAR, Ilocos Region, Cagayan Valley, Davao Region, SOCCSKSARGEN and ARMM;

- Increased use of new hybrid corn seeds (e.g., Sweet Pearl) and other high yielding varieties in Ilocos Region, Cagayan Valley and Davao Region;
- Rehabilitation of corn production areas through distribution of agricultural lime and buffer stock program in the Bicol Region;
- Increase in areas planted with corn in the Provinces of Compostela Valley and Davao del Norte in Davao Region and Provinces of Cotabato and South Cotabato in SOCCSKSARGEN;
- Improvement in soil fertility due to precision fertilization in the Bicol Region;
- Reduction in pest outbreak/infestation due to the LGU's conduct of "Bantay Peste" program and distribution of biological control agents in the Bicol Region;
- Upgrading of farmers' skills and knowledge on technology advancement and value-adding in the Bicol Region; and
- Improved agricultural research/productivity with the availability of farm machineries and processing equipments in the Bicol Region.

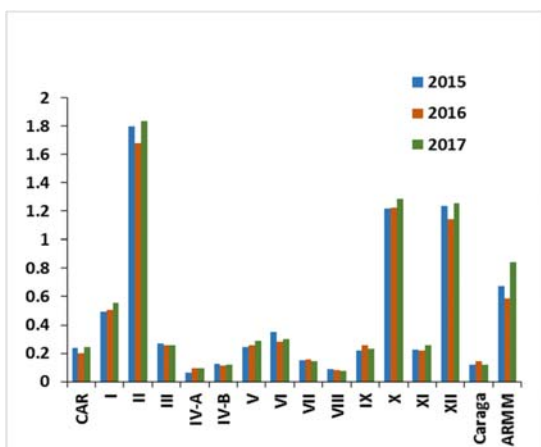
Six regions posted declines in corn production in 2017, namely Caraga (-17.0 percent), Eastern Visayas (-10.0 percent), Zamboanga Peninsula (-9.5 percent), Central Visayas (-6.6 percent), CALABARZON (-4.2 percent), and Central Luzon (-0.3 percent). The poor performances from these regions were attributed mainly to the following:

- Low quality and germination of seeds from the DA in the Provinces of Bohol in Central Visayas and the Provinces of Aurora, Bataan, Pampanga and Zambales in Central Luzon;
- Delayed planting crops and land preparation due to prolonged rainy season and typhoons in CALABARZON, Eastern Visayas and Province of Siquijor in Central Visayas;
- Limited supply of corn seeds sourced out from Mindanao in Eastern Visayas; and

- Decline in area harvested due to a shift in crops of farmers to cassava and sugarcane in Eastern Visayas, Zamboanga Peninsula and Caraga regions, and Province of Negros Oriental in Central Visayas.

Chart 2. Corn Production

In million metric tons



Source: PSA

Table 3. Corn Production

Growth rate and share to total production, in percent

REGION	Growth Rate			Share to total production		
	2015	2016	2017	2015	2016	2017
PHILIPPINES	-3.2	-4.0	9.6	100	100	100
1 CAR	-2.8	-16.2	21.8	3.2	2.8	3.1
2 Ilocos Region (I)	3.0	3.5	9.5	6.5	7.0	7.0
3 Cagayan Valley (II)	-3.0	-6.8	9.5	24.0	23.3	23.2
4 Central Luzon (III)	12.6	-4.3	-0.3	3.6	3.6	3.3
5 CALABARZON (IV-A)	-12.8	49.4	-4.2	0.9	1.3	1.2
6 MIMAROPA (IV-B)	16.5	-8.7	5.7	1.7	1.6	1.5
7 Bicol Region (V)	-14.6	6.3	10.7	3.2	3.6	3.6
8 Western Visayas (VI)	-4.9	-19.0	6.2	4.7	3.9	3.8
9 Central Visayas (VII)	-8.6	4.5	-6.5	2.0	2.2	1.9
10 Eastern Visayas (VIII)	3.4	-10.5	-10.0	1.2	1.1	0.9
11 Zamboanga Peninsula (IX)	-1.4	17.6	-9.5	2.9	3.6	3.0
12 Northern Mindanao (X)	1.7	0.6	5.2	16.2	16.9	16.3
13 Davao Region (XI)	-20.0	-2.2	17.2	3.0	3.0	3.2
14 SOCCSKSARGEN (XII)	-7.4	-7.7	9.9	16.5	15.8	15.9
15 Caraga	-5.3	21.7	-17.0	1.6	2.0	1.5
16 ARMM	-3.8	-12.3	42.5	9.0	8.2	10.6

Source: PSA

Cattle production contracts

Livestock production. The country's total cattle production contracted by 1.5 percent in 2017 from a growth of 1.3 percent in 2016. The decline was on account of poor performance in Central Luzon (-13.8 percent), Caraga (-6.5 percent), Eastern Visayas (-5.4 percent), Cagayan Valley (-5.2 percent), Northern Mindanao (-4.7 percent), CAR (-4.1 percent), CALABARZON (-1.8 percent), Ilocos (-1.4 percent), SOCCSKSARGEN (-1.3 percent) and ARMM (-0.1 percent) due to the following factors:

- Losses from typhoon damages in CALABARZON;
- Less stocks available for disposition as some were reserved for breeding, inventory build up or work animals in CAR, Ilocos, Cagayan Valley, Central Luzon and ARMM;
- Disposition of smaller sized animals in Cagayan Valley and Central Luzon;
- Incidence of animal deaths and low culling of unproductive animals in the Province of Nueva Ecija;
- Lack of pest management training for cattle raisers in CALABARZON;
- Declining population of cattle due to the cease in the operation of Monterey Farm in the Province of South Cotabato in SOCCSKSARGEN;
- Unfavorable market prices that led raisers to hold their farm stocks in Caraga Region;
- Decrease of cattle grazing areas brought about by the non-renewal of expired leasehold in the Province of Bukidnon in Northern Mindanao; and
- Decreasing number of backyard farms in SOCCSKSARGEN.

On the other hand, the regions that posted improvements in their cattle production in 2017 were Davao (3.7 percent), Western Visayas

(3.5 percent), Bicol (3.4 percent), MIMAROPA (2.7 percent), Central Visayas (1.8 percent) and Zamboanga Peninsula (0.2 percent). The improved performance in these areas was due mainly to the high demand from consumers, as well as from hotel and restaurant industries in these regions.

Table 4. Cattle Production

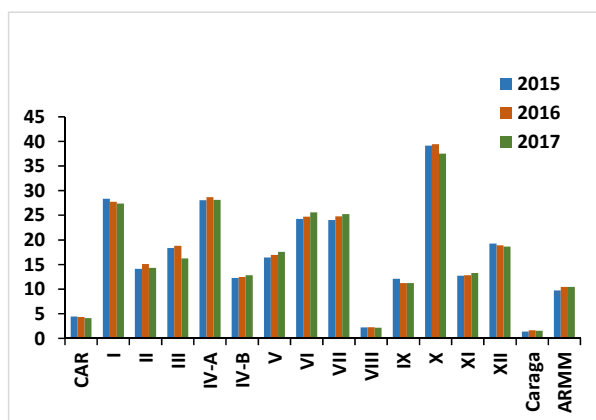
Growth rate and share to total production, in percent

REGION	Growth rate			Share to total production		
	2015	2016	2017	2015	2016	2017
PHILIPPINES	2.1	1.3	-1.5	100	100	100
1 CAR	-3.1	-2.2	-4.1	1.7	1.6	1.6
2 Ilocos Region (I)	2.3	-2.0	-1.4	10.6	10.3	10.3
3 Cagayan Valley (II)	-3.0	7.1	-5.2	5.3	5.6	5.4
4 Central Luzon (III)	-0.5	2.6	-13.8	6.9	6.9	6.1
5 CALABARZON (IV-A)	7.3	2.2	-1.8	10.5	10.6	10.6
6 MIMAROPA (IV-B)	5.3	1.6	2.7	4.6	4.6	4.8
7 Bicol Region (V)	5.2	3.1	3.4	6.2	6.3	6.6
8 Western Visayas (VI)	0.3	1.9	3.5	9.1	9.1	9.6
9 Central Visayas (VII)	-1.7	3.0	1.8	9.0	9.2	9.5
10 Eastern Visayas (VIII)	-1.8	2.4	-5.4	0.8	0.9	0.8
11 Zamboanga Peninsula (IX)	-1.0	-7.4	0.2	4.5	4.1	4.2
12 Northern Mindanao (X)	3.3	0.8	-4.7	14.6	14.6	14.1
13 Davao Region (XI)	2.4	0.7	3.7	4.8	4.7	5.0
14 SOCCSKSARGEN (XII)	7.1	-1.7	-1.3	7.2	7.0	7.0
15 Caraga	-7.8	18.0	-6.5	0.5	0.6	0.6
16 ARMM	0.5	7.5	-0.1	3.7	3.9	3.9

Source: PSA

Chart 3. Cattle Production

in thousand metric tons



Source: PSA

Chicken production rises

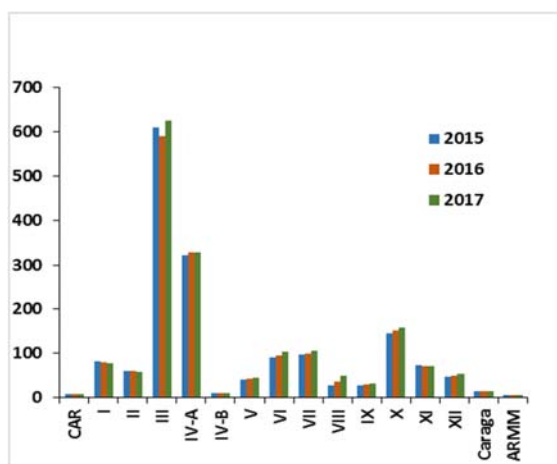
Chicken production. Chicken production grew by 4.3 percent in 2017 from 0.8 percent in 2016. Better performances in Eastern Visayas (35.9 percent), Western Visayas (8.3 percent); SOCCSKSARGEN (7.1 percent), Zamboanga Peninsula (5.9 percent), Central Luzon (5.7 percent), Caraga (5.2 percent) and Central Visayas (5.1 percent) contributed to the improvement of the chicken production in the country. Factors behind the accelerated growth include:

- Increase in the disposition of chicken in broiler farms in Central Luzon, Central Visayas and SOCCSKSARGEN;
- Less livestock mortality due to more favorable weather in Western Visayas;
- Opening and rehabilitation of some broiler farms in Central Luzon;
- Increase in stocks in commercial broiler farms in the Province of South Cotabato and North Cotabato in SOCCSKSARGEN;
- High demand for poultry products in Central Visayas, Eastern Visayas, Zamboanga Peninsula and Caraga regions;

- Increasing number of broiler contract growers in the Province of North Cotabato in SOCCSKSARGEN;
 - Expansion in commercial layer farms in Central Luzon and Eastern Visayas;
 - Improvement of the backyard poultry farms in the Province of Cotabato in SOCCSKSARGEN;
 - High demand for duck eggs for balut-making in Central Luzon;
 - Higher buying price in Western Visayas and SOCCSKSARGEN; and
 - Emergence of new broiler farms in Central Luzon.
- Occurrence of diseases such as Avian Flu and New Castle Disease in Ilocos and MIMAROPA;
 - Decreased number of loadings of some broiler farms in Davao City;
 - Shifting of broiling operations of some Davao City farms to breeding and layer farms; and
 - Closure of some commercial farms in the Province of Davao del Norte.

Chart 4. Chicken Production

In thousand metric tons



Source: PSA

On the other hand, regions that exhibited contraction in chicken production in 2017, which moderated overall growth were Cagayan Valley (-3.1 percent), ARMM (-1.9 percent), MIMAROPA (-1.4 percent), Ilocos (-0.9 percent) and Davao (-0.3 percent). The dismal performances in poultry production in the above-mentioned regions were due to the following:

- Less stocks and tight supply of day-old chicks in commercial farms in Ilocos;

Table 5. Chicken Production

Growth rate and share to total production, in percent

REGION	Growth rate			Share to total production		
	2015	2016	2017	2015	2016	2017
PHILIPPINES	5.7	0.8	4.3	100	100	100
1 CAR	7.7	-1.7	4.2	0.5	0.5	0.5
2 Ilocos Region (I)	0.4	-4.9	-0.9	5.0	4.7	4.5
3 Cagayan Valley (II)	2.8	2.2	-3.1	3.6	3.6	3.4
4 Central Luzon (III)	6.9	-3.0	5.7	36.7	35.3	35.8
5 CALABARZON (IV-A)	7.7	2.1	0.1	19.4	19.6	18.8
6 MIMAROPA (IV-B)	2.9	-3.2	-1.4	0.6	0.6	0.6
7 Bicol Region (V)	9.9	5.5	4.1	2.4	2.5	2.5
8 Western Visayas (VI)	6.6	6.6	8.3	5.4	5.7	5.9
9 Central Visayas (VII)	5.9	2.2	5.1	5.9	6.0	6.0
10 Eastern Visayas (VIII)	-6.8	28.0	35.9	1.7	2.2	2.8
11 Zamboanga Peninsula (IX)	5.0	8.5	5.9	1.7	1.8	1.8
12 Northern Mindanao (X)	3.9	4.6	4.1	8.8	9.1	9.1
13 Davao Region (XI)	7.5	-2.1	-0.3	4.4	4.3	4.1
14 SOCCSKSARGEN (XII)	-1.7	5.7	7.1	2.8	3.0	3.1
15 Caraga	0.7	4.6	5.2	0.8	0.8	0.8
16 ARMM	-1.3	-7.8	-1.9	0.3	0.3	0.3

Source: PSA

Swine production slows down

Swine production. Swine production grew by 1.5 percent in 2017, lower than the 5.3 percent expansion posted in 2016. This could be attributed to contractions in the swine production of Central Luzon (-3.2 percent), ARMM (-2.6 percent), CAR (-2.0 percent), Western Visayas (-1.1 percent), SOCCSKSARGEN (-1.1 percent) and Caraga (-0.5 percent), for the following reasons:

- Low volume of stocks available in the market in Central Luzon and the Provinces of North Cotabato and Sarangani in SOCCSKSARGEN;
- Less hog disposal for slaughter as raisers reserved some stocks for breeding in Central Luzon;
- Less demand for pork from buyers in CAR; and
- Marketing problems brought about by the peace and order problem in ARMM.

Table 6. Swine Production

Growth rate and share to total production, in percent

REGION	Growth rate			Share to total production		
	2015	2016	2017	2015	2016	2017
PHILIPPINES	4.3	5.3	1.5	100	100	100
1 CAR	-7.0	-1.4	-2.0	1.3	1.2	1.1
2 Ilocos Region (I)	1.4	4.6	4.1	3.9	3.9	4.0
3 Cagayan Valley (II)	2.6	3.6	2.1	3.2	3.2	3.2
4 Central Luzon (III)	11.0	9.4	-3.2	19.9	20.7	19.8
5 CALABARZON (IV-A)	6.6	8.5	1.8	15.9	16.4	16.4
6 MIMAROPA (IV-B)	4.6	2.5	4.4	3.7	3.6	3.7
7 Bicol Region (V)	1.9	-1.7	4.2	5.8	5.4	5.6
8 Western Visayas (VI)	-0.1	5.8	-1.1	8.4	8.5	8.2
9 Central Visayas (VII)	4.3	7.1	9.8	7.7	7.8	8.5
10 Eastern Visayas (VIII)	-0.1	-0.1	0.1	3.6	3.4	3.4
11 Zamboanga Peninsula (IX)	1.4	-1.6	2.7	3.8	3.6	3.6
12 Northern Mindanao (X)	3.7	4.5	6.1	8.0	8.0	8.3
13 Davao Region (XI)	5.2	4.1	1.6	6.8	6.7	6.7
14 SOCCSKSARGEN (XII)	-1.2	0.6	-1.1	5.6	5.3	5.2
15 Caraga	-0.6	7.1	-0.5	1.9	1.9	1.9
16 ARMM	-1.6	-6.1	-2.6	0.5	0.5	0.4

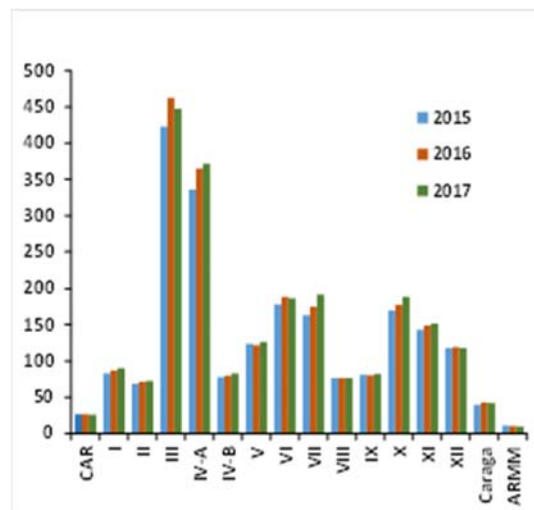
Source: PSA

Nonetheless, the contraction was offset by positive performance from various regions during the period. These were Central Visayas (9.8 percent), Northern Mindanao (6.1 percent), MIMAROPA (4.4 percent), Bicol (4.2 percent), Ilocos (4.1 percent), Zamboanga Peninsula (2.7 percent), Cagayan Valley (2.1 percent), CALABARZON (1.8 percent), Davao (1.6 percent) and Eastern Visayas (0.1 percent). These improvements were caused by the following factors:

- Availability of more fatteners in Ilocos region;
- Increased stocks for slaughter in Cagayan Valley, Davao and Province of Siquijor in Central Visayas;
- High demand for longganisa and bagnet from traders in Ilocos bound to Metro Manila, Benguet and other provinces outside the Ilocos region;
- Improved facility in hog farms in CALABARZON;
- Strengthening of animal health services through the provision of veterinary biologics and supplements for the treatment, prevention and control of foot and mouth disease (FMD) in the Bicol region;

Chart 5. Swine Production

In hundred thousand metric tons



Source: PSA

- Strict implementation of regulatory quarantine rules at entry points, massive advocacy and information drive against FMD in the Bicol region;
- Increased backyard farming in Northern Mindanao, and Provinces of Davao del Sur, Occidental and Davao del Norte in Davao region;
- Increased disposition of hogs due to favorable prices in Ilocos, MIMAROPA, Central Visayas, Davao, Provinces of Nueva Vizcaya and Quirino in and Cagayan Valley and the Province of Compostela Valley in Davao region; and
- Increased demand for pork in Cagayan Valley, CALABARZON, MIMAROPA and Northern Mindanao.

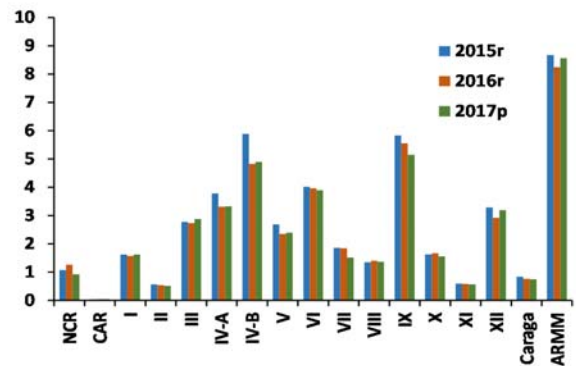
- More fishing operations due to less gale warnings and weather disturbances in Ilocos and SOCCSKSARGEN;
- Newly established fishponds in brackish water in Central Luzon;
- Increased number of boats in operation in Ilocos region;
- Favorable water salinity suitable to the growth of fish species in Central Luzon;
- More unloading of frozen tuna for cold storage and canneries such as big-eye and yellow fin tuna in SOCCSKSARGEN;
- Increase in fish catch from marine waters in Ilocos region;
- Expansion of areas for fishpond operations in Central Luzon and MIMAROPA; and
- High survival rate in Ilocos region and Central Luzon.

Fish production registers slower decline

Fish Production. The rate of decline of the fishery subsector in the country was slower at 1.0 percent in 2017 compared to 6.3 percent a year ago. The improvement was due to the positive performances in SOCCSKSARGEN (9.3 percent), Central Luzon (5.4 percent), ARMM (3.9 percent); Ilocos (2.6 percent), Bicol (1.9 percent), MIMAROPA (1.3 percent), and CALABARZON (0.3 percent), which mitigated further contraction of the overall fishery subsector. The positive performance could be traced to the following factors:

- Bigger sizes of fish captured in Ilocos region;
- More harvest from payaos and artificial reefs in Ilocos region;
- Provision of good quality fingerlings and fishing gears from the Bureau of Fisheries and Aquatic Resources (BFAR) of Central Luzon and CALABARZON;

Chart 6. Fish production
in hundred thousand metric tons



Source: PSA

Nonetheless, the continued contraction was due to the dismal performances of Central Visayas (-17.7 percent), Zamboanga Peninsula (-7.3 percent), Northern Mindanao (-6.6 percent), Cagayan Valley (-4.6 percent), Eastern Visayas (-2.9 percent), Davao (-2.3 percent), Caraga (-2.3 percent) and Western Visayas (-1.7 percent).

Table 7. Fish production

Growth rate and share to total production, in percent

REGION	Growth rate			Share to total production		
	2015 ^f	2016 ^f	2017 ^p	2015 ^f	2016 ^f	2017 ^p
PHILIPPINES	-0.8	-6.3	-1.0	100	100	100
1 NCR	-16.1	17.5	-27.0	2.3	2.9	2.1
2 CAR	-2.8	8.7	-1.3	0.1	0.1	0.1
3 Ilocos Region (I)	-7.1	-2.9	2.6	3.5	3.6	3.7
4 Cagayan Valley (II)	-6.3	-5.1	-4.6	1.2	1.2	1.2
5 Central Luzon (III)	-0.4	-1.6	5.4	6.0	6.3	6.7
6 CALABARZON (IV-A)	-3.3	-12.5	0.3	8.1	7.6	7.7
7 MIMAROPA (IV-B)	4.7	-17.9	1.3	12.7	11.1	11.3
8 Bicol Region (V)	-9.1	-12.6	1.9	5.8	5.4	5.5
9 Western Visayas (VI)	-2.2	-1.3	-1.7	8.6	9.1	9.0
10 Central Visayas (VII)	-3.5	-1.1	-17.7	4.0	4.2	3.5
11 Eastern Visayas (VIII)	-1.8	3.9	-2.9	2.9	3.2	3.2
12 Zamboanga Peninsula (IX)	1.6	-4.8	-7.3	12.5	12.8	11.9
13 Northern Mindanao (X)	2.9	2.4	-6.6	3.5	3.8	3.6
14 Davao Region (XI)	9.4	-2.5	-2.3	1.3	1.3	1.3
15 SOCCSKSARGEN (XII)	1.4	-11.2	9.3	7.1	6.7	7.4
16 Caraga	-2.1	-8.5	-2.3	1.8	1.8	1.7
17 ARMM	1.2	-5.0	3.9	18.7	18.9	19.9

^p preliminary^f revised

Source: PSA

The negative performance in these regions was due to the following factors:

- Less fishing operations and minimal catch due to rough seas brought about by unpredictable weather conditions in Cagayan Valley, Western Visayas, Northern Mindanao and Davao regions;
- Less fishing trips due to strict enforcement of fishery law and regulations in CAR and Central Visayas regions;
- Less fish stocks in inland water due to the damages in some fish habitats in Northern Mindanao caused by quarrying activities;
- Decrease in culture seaweed production due to sudden change in temperature in the Province of Bohol in Central Visayas;

- Decrease in the number of licensed commercial fishing vessels in Eastern Visayas after the onslaught of Typhoon Yolanda;
- Decrease in harvest of spinosum seaweeds due to less financial support from traders in Central Visayas;
- Presence of “ice-ice” disease in the Provinces of Lanao del Norte and Misamis Occidental in Northern Mindanao;
- Less area harvested for aquaculture fisheries due to water pollution coming from marine cages in Davao;
- Less appearance of migratory species in the Province of Siquijor in Central Visayas;
- Less fishing operations due to aging fishing vessels in Eastern Visayas;
- Diminished number of catch due to dry docking of fishing vessels in Cagayan Valley, Western Visayas and Central Visayas;
- Implementation of Fisheries Administrative Order No. 167 that prohibits commercial fishing in the Visayas Sea in Western Visayas;
- Non-renewal of fishing permits of some operators in the Province of Bohol in Central Visayas; and
- Limited distribution of fingerlings by BFAR in Davao.

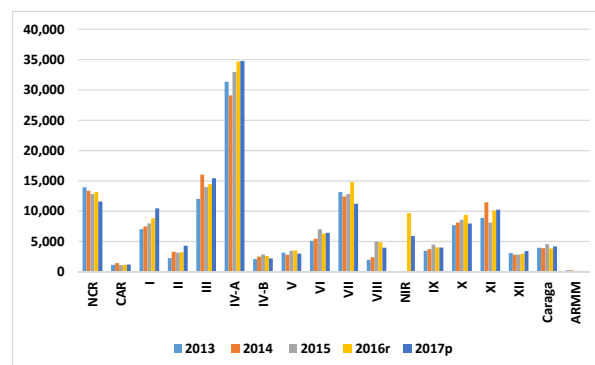
Construction

Construction activity slumps

Construction. Construction activity weakened in 2017, posting a reversal from the double-digit growth rate achieved in the previous year. After expanding for three consecutive years, the number of approved building permits declined by 5.0 percent in 2017, from a growth of 12.1 percent in 2016. Similarly, after a five-year growth streak,

Chart 7. Approved Building Permits

Levels, 2013-2017



Source: PSA

Table 8. Total Number of Approved Building Permits

Levels and growth rates, 2013-2017

REGION	Levels					Growth rate				
	2013	2014	2015	2016 ^r	2017 ^p	2013	2014	2015	2016 ^r	2017 ^p
PHILIPPINES	120,775	126,875	132,006	147,998	140,605	-0.2	5.1	4.0	12.1	-5.0
1 NCR	13,948	13,381	12,863	13,166	11,583	0.7	-4.1	-3.9	2.4	-12.0
2 CAR	1,161	1,460	1,123	1,202	1,219	-1.7	25.8	-23.1	7.0	1.4
3 Ilocos Region (I)	7,060	7,511	7,990	8,825	10,481	-2.2	6.4	6.4	10.5	18.8
4 Cagayan Valley (II)	2,256	3,347	3,182	3,246	4,294	-15.0	48.4	-4.9	2.0	32.3
5 Central Luzon (III)	12,025	16,047	13,991	14,481	15,437	-11.0	33.4	-12.8	3.5	6.6
6 CALABARZON (IV-A)	31,340	29,092	32,951	34,713	34,776	13.0	-7.2	13.3	5.3	0.2
7 MIMAROPA (IV-B)	2,086	2,508	2,874	2,634	2,233	-6.0	20.2	14.6	-8.4	-15.2
8 Bicol Region (V)	3,177	2,830	3,487	3,513	3,009	6.0	-10.9	23.2	0.7	-14.3
9 Western Visayas (VI)	5,124	5,483	7,059	6,317	6,445	-21.0	7.0	28.7	-10.5	2.0
10 Central Visayas (VII)	13,168	12,440	12,824	14,801	11,219	-8.3	-5.5	3.1	15.4	-24.2
11 Eastern Visayas (VIII)	1,980	2,407	4,937	4,879	3,972	-15.1	21.6	105.1	-1.2	-18.6
12 Negros Island Region				9,686	5,916					-38.9
13 Zamboanga Peninsula (IX)	3,484	3,761	4,505	4,032	4,016	-9.2	8.0	19.8	-10.5	-0.4
14 Northern Mindanao (X)	7,698	8,119	8,599	9,378	7,960	1.6	5.5	5.9	9.1	-15.1
15 Davao Region (XI)	8,916	11,500	8,120	10,091	10,263	-2.3	29.0	-29.4	24.3	1.7
16 SOCCSKSARGEN (XII)	3,100	2,822	2,846	3,013	3,414	15.9	-9.0	0.9	5.9	13.3
17 Caraga	3,984	3,922	4,548	3,861	4,211	28.6	-1.6	16.0	-15.1	9.1
18 ARMM	268	245	107	160	157	26.4	-8.6	-56.3	49.5	-1.9

Note: Sum of details may not add up to totals due to rounding.

p Preliminary

r Revised to reflect data updates per PSA

Source: PSA

construction of new residential buildings declined by 9.4 percent in 2017, from a growth of 16.4 percent in 2016.¹

and Mindanao in early 2017 due to heavy rainfall and the aftermath of typhoon Nina in December 2016; infrastructure damages from earthquakes that struck Surigao del Norte, Batangas, and Leyte;

Table 9. Total Number of New Residential Building Construction

Levels and growth rates, 2013-2017

REGION	Levels					Growth rate				
	2013	2014	2015 ^e	2016 ^f	2017 ^g	2013	2014	2015	2016	2017
PHILIPPINES	87,767	90,201	97,174	113,097	102,417	0.5	2.8	7.7	16.4	-9.4
1 NCR	7,071	6,772	6,435	6,587	6,055	-0.9	-4.2	-5.0	2.4	-8.1
2 CAR	842	1,041	826	938	885	0.2	23.6	-20.7	13.6	-5.7
3 Ilocos (I)	5,346	5,695	5,801	6,498	7,519	-4.3	6.5	1.9	12.0	15.7
4 Cagayan Valley (II)	1,580	2,500	2,189	2,265	3,336	-19.3	58.2	-12.4	3.5	47.3
5 Central Luzon (III)	8,298	11,852	10,617	10,685	10,768	-15.5	42.8	-10.4	0.6	0.8
6 CALABARZON (IV-A)	25,059	21,480	25,842	27,829	26,785	20.3	-14.3	20.3	7.7	-3.8
7 MIMAROPA (IV-B)	1,445	1,738	1,872	2,007	1,431	-3.6	20.3	7.7	7.2	-28.7
8 Bicol (V)	2,550	2,084	2,691	2,690	2,056	9.2	-18.3	29.1	0.0	-23.6
9 Western Visayas (VI)	3,834	3,851	5,192	4,848	4,992	-24.4	0.4	34.8	-6.6	3.0
10 Central Visayas (VII)	9,754	8,599	9,627	12,571	8,623	-13.6	-11.8	12.0	30.6	-31.4
11 Eastern Visayas (VIII)	1,214	1,569	3,857	3,671	2,586	-13.8	29.2	145.8	-4.8	-29.6
12 Negros Island Region				8,447	4,752					-43.7
13 Zamboanga Peninsula (I)	2,571	2,868	3,669	3,456	3,154	-9.2	11.6	27.9	-5.8	-8.7
14 Northern Mindanao (X)	6,445	6,718	7,313	8,014	6,508	4.2	4.2	8.9	9.6	-18.8
15 Davao Region (XI)	6,711	9,168	5,964	7,906	7,940	4.9	36.6	-34.9	32.6	0.4
16 SOCCSKSARGEN (XII)	1,922	1,502	1,544	1,556	1,623	10.5	-21.9	2.8	0.8	4.3
17 Caraga	2,896	2,569	3,644	3,002	3,266	29.9	-11.3	41.8	-17.6	8.8
18 ARMM	229	195	91	127	138	24.5	-14.8	-53.3	39.6	8.7

Note: Sum of details may not add up to totals due to rounding.

^g Preliminary

^f Revised to reflect data updates per PSA

Source: PSA

Given significantly high growth rates posted in 2016, high base effect may have contributed to the contraction of construction activity. Downside factors to construction activity may also include the acceleration of inflation from 1.3 percent in 2016 to 2.9 percent in 2017; weather-related disturbances such as flooding in parts of Visayas

heightened peace and order concerns amid the Marawi siege in May to October 2017; power fluctuations and outages; delays in government projects; and difficulties in domestic logistics, especially in terms of inter-island connectivity.

Among the regions, the decline in construction activity is most apparent in geographic neighbors Negros Island Region (NIR) and Central Visayas.

¹ The weakening of new residential construction is accompanied by a slight increase in residential real estate prices, as the residential real estate price index (RREPI) increased by 3.6 percent in 2017, on the back of a 6.5-percent increase in prices of condominium units. While new residential construction in NCR contracted by

8.1 percent in 2016, the price of housing units increased by 4.8 percent, driven by a 6.0-percent increase in the price of condominium units. For the rest of the Philippines, a deceleration in the increase of real estate prices was noted at 2.7 percent, albeit a 10.5-percent increase in the prices of condominium units.

Construction activity in NIR contracted by 38.9 percent in terms of approved building permits and 43.7 percent in terms of new residential construction. Infrastructure activities were negatively affected by weather-related concerns, such as frequent typhoons, seismic activities including the phreatic eruption of Mt. Kanlaon, as well as flash floods in the Banica and Okoy Rivers, rendering some major spillways impassable to vehicles.

For Central Visayas, approved building permits and new residential construction declined by 24.2 percent and 31.4 percent respectively – a reversal from the 15.4-percent and 30.6 percent growth rates registered during the previous year. It may be noted that the decline in approved building permits was more pronounced in the first half, wherein the region posted 36.9-percent contraction, easing to 6.9 percent contraction in the second half of the year. Heavy and frequent rainfall across provinces in the region as well as Metro Cebu’s worsening traffic congestion may

have contributed to the decline in construction activity.

Upside factors to construction activity include the government’s massive infrastructure investment program; increased connectivity due to the implementation of road, railway, and airport projects; rise in retail developments on the back of strong consumption and the expansion of the middle-class population; growing urbanization especially in emerging business process outsourcing (BPO) hubs; and increased housing projects catering to low- and middle-income groups aided by financial support from government through the Pag-IBIG Affordable Housing Program.

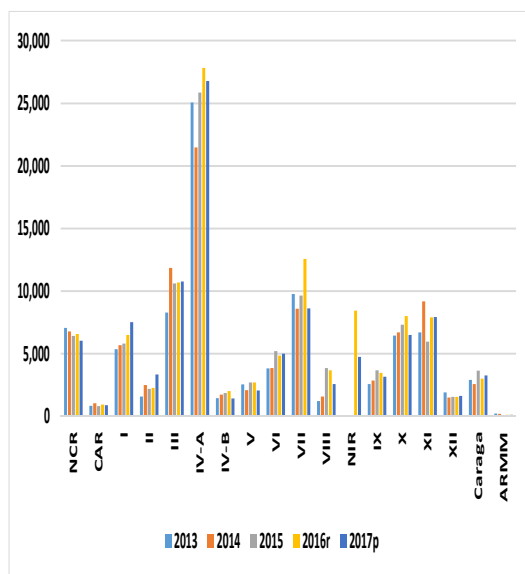
Positive regional contributions to construction growth were minimal and mostly attributable to Ilocos and Cagayan Valley.

In Ilocos, construction activity in terms of approved building permits grew at an accelerated pace, from 10.5 percent in 2016 to 18.8 percent in 2017. It may be noted that the region has posted growth rates above 6 percent since 2014. Likewise, growth in residential construction increased from 12.0 percent in 2016 to 15.7 percent in 2017.

Meanwhile, construction activity in Cagayan Valley registered exponential growth in 2017, with new building permits and residential construction increasing by 32.3 percent and 47.3 percent respectively in 2017, from 2.0 percent and 3.5 percent the previous year. Building projects in these regions may have been boosted by increased connectivity brought about by the construction of various road networks, including the Alaminos-Bani Bypass Road, Candon City Bypass Road, and additional segments of the Tarlac-Pangasinan-La Union Expressway in Ilocos Region and the completion of 278.24 kilometers of national, secondary, and tertiary roads in Cagayan Valley. Construction activity in Ilocos may also be propelled by a thriving BPO industry, with Metro

Chart 8. New Residential Construction

Levels, 2013-2017



Source: PSA

Laoag recognized as one of the “Next Wave Cities” for Information Technology and Business Process Management (IT-BPM).

Labor and Employment

Employment declines slightly

Employment. The national employment rate registered 94.3 percent in 2017, lower by 0.3 percentage points (ppts) from 94.6 percent in 2016. Among the 17 regions, those with the highest level of employment were Cagayan Valley, 96.8 percent; ARMM, 96.6 percent; Zamboanga Peninsula and SOCCSKSARGEN both at 96.0 percent.

Out of the 17 regions, employment in ARMM, Central Visayas, and CALABARZON grew faster by 0.5 ppts, 0.4 ppts, and 0.2 ppts, respectively, in 2017 compared to 2016. Employment in Central Visayas was boosted by the rapid growth in transport network vehicle services such as Uber and Grab as well as the full swing implementation of major infrastructure projects such as the Mactan-Cebu International Airport Terminal 2, the New Bohol Airport, and the Marina Town Project in Dumaguete. Similarly, CALABARZON (the largest source of labor force among all regions) attributed its employment growth to the services and industry sectors, particularly in manufacturing boosted by the Government’s Manufacturing Resurgence Program, as well as the increasing number of economic zones in the region.

Unemployment rate rose by 0.3 percentage points to 5.7 percent in 2017 from 5.4 percent in 2016. Ilocos Region posted the highest unemployment

Table 10. Employment Indicators
averages in percent

REGION	2015			2016			2017 ^p		
	Employment	Unemployment ^a	Underemployment	Employment	Unemployment ^b	Underemployment	Employment	Unemployment ^b	Underemployment
PHILIPPINES	93.7	6.3	18.5	94.6	5.4	18.3	94.3	5.7	16.1
1 NCR	91.5	8.5	10.0	93.3	6.7	8.7	92.6	7.4	9.3
2 CAR	95.2	4.9	20.8	95.6	4.4	23.1	95.7	4.3	14.8
3 Ilocos Region (I)	91.6	8.4	16.9	93.8	6.2	17.4	91.1	8.9	19.9
4 Cagayan Valley (II)	96.8	3.2	11.1	96.9	3.1	12.8	96.8	3.2	13.6
5 Central Luzon (III)	92.2	7.8	13.5	93.4	6.6	16.1	93.4	6.6	11.4
6 Calabarzon (IV-A)	92.0	8.0	18.2	92.8	7.2	15.6	93.0	7.0	14.0
7 Mimaropa (IV-B)	96.7	3.3	20.8	95.9	4.1	21.8	95.2	4.8	23.7
8 Bicol Region (V)	94.4	5.6	31.6	95.4	4.6	30.2	95.4	4.6	27.6
9 Western Visayas (VI)	94.6	5.4	21.3	95.2	4.8	19.3	94.6	5.4	16.7
10 Central Visayas (VII)	94.1	5.9	18.4	95.1	4.9	14.7	95.5	4.5	17.5
11 Eastern Visayas (VIII)	94.6	5.4	31.8	95.5	4.5	29.9	95.6	4.4	22.6
12 Zamboanga Peninsula (IX)	96.5	3.5	18.5	96.2	3.8	22.5	96.0	4.0	17.3
13 Northern Mindanao (X)	94.4	5.6	24.9	94.8	5.2	27.9	94.7	5.3	18.6
14 Davao Region (XI)	94.2	5.8	19.0	95.5	4.5	16.8	95.1	4.9	17.8
15 Soccsksargen (XII)	96.5	3.5	23.2	95.9	4.1	23.7	96.0	4.0	17.9
16 Caraga (XIII)	94.3	5.7	26.2	95.0	5.0	28.0	94.9	5.1	23.1
17 ARMM	96.5	3.5	11.1	96.1	3.9	13.5	96.6	3.4	7.0

¹ Starting with April 2016 round, the Labor Force Survey (LFS) adopted the population projection based on the 2010 Census of Population and Housing (2010 CPH) while previous survey rounds were derived using 2000 CPH population projections.

^a Without Leyte

^b With Leyte

^p Preliminary

Source: PSA

rate at 8.9 percent, driven by employment losses in the agriculture sector. Unemployment rate was also high in NCR at 7.4 percent and CALABARZON at 7.0 percent. Conversely, the lowest unemployment rates were registered in Cagayan Valley at 3.2 percent, ARMM at 3.4 percent, and SOCCSKSARGEN at 4.0 percent.

Meanwhile, underemployment eased in 11 regions bringing national underemployment rate to 16.1 percent in 2017 from 18.3 percent in 2016. The regions with notable improvements were Northern Mindanao (18.6 percent from 27.9 percent), CAR (14.8 percent from 23.1 percent), and Eastern Visayas (22.6 percent from 29.9 percent). The decline in underemployment was due to the creation of higher quality jobs and increase in full-time wage and salaried workers in private establishments as well as the reduction in the closure of establishments and retrenchment. On the other hand, the Bicol Region had the highest underemployment rate at 27.6 percent, as quality job generation is usually driven by seasonality factors.

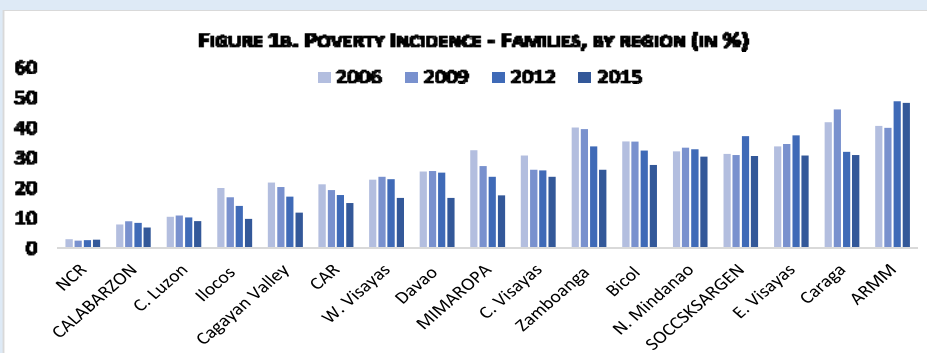
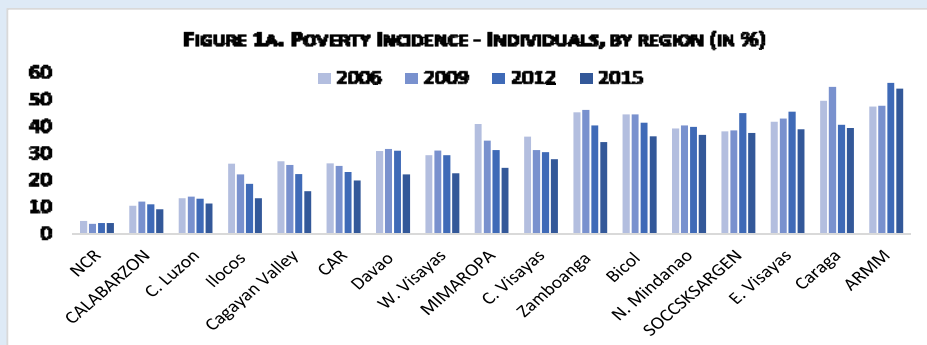
Box Article
Poverty Incidence and Unemployment Trends in the Regions

Poverty Incidence in the Regions

Poverty incidence among individuals and families eased in all regions in the Philippines, except in the country's capital, as shown in the latest Official Poverty Statistics for 2015 relative to the previous survey in 2012 (Figure 1). In the National Capital Region (NCR), poverty incidence among individuals remained the same as in 2012 at 3.9 percent, while poverty incidence among families increased to 2.7 percent in 2015 from 2.6 percent in 2012. Despite not having gone down in 2015, poverty incidence in the NCR has been the lowest among the regions.

The highest poverty incidence among individuals in 2015 was recorded for the Autonomous Region in Muslim Mindanao (ARMM) at 53.7 percent, followed by Caraga (39.1 percent) and Eastern Visayas (38.7 percent). Poverty incidence in the ARMM over the past four surveys has consistently been significantly above national levels, which in 2015 was at 21.6 percent. Meanwhile, regions with the lowest rate of poverty next to the NCR were CALABARZON with poverty incidence at a single digit level (9.1 percent) followed by Central Luzon (11.2 percent). The most improved regions were Davao, SOCCSKSARGEN and Western Visayas as poverty incidence went down by 8.7, 7.4 and 6.7 percentage points, respectively.

At the household level, the ARMM likewise recorded the highest poverty incidence in 2015, followed by Caraga and Eastern Visayas. Meanwhile, regions that exhibited the lowest poverty incidence among families over the past four poverty statistics releases were the NCR, CALABARZON, and Central Luzon.

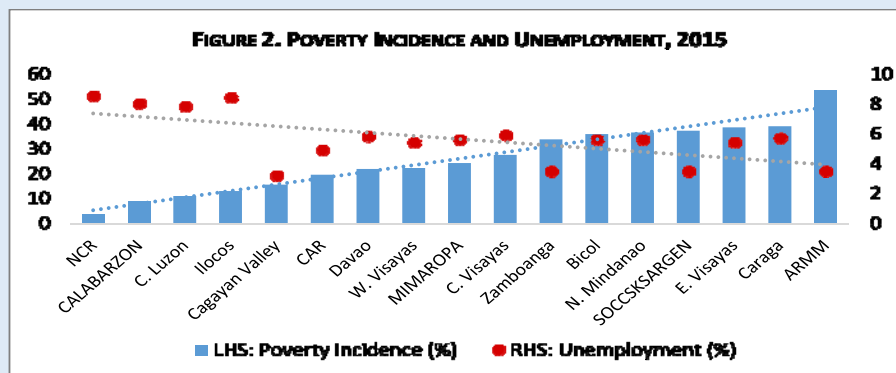


Source: Philippine Statistics Authority (PSA)

Poverty Incidence and Unemployment

Weakness in employment generation and the lack of sustainable income opportunities are among the major factors cited as causing poverty in the Philippines.¹ In such case, regions with the lowest/highest poverty incidence should have the lowest/highest rate of unemployment.

Based on the 2015 estimates of the Labor Force Survey (LFS), the regions with the lowest unemployment rates were Cagayan Valley (3.2 percent) followed by ARMM (3.4) as well as the Zamboanga Peninsula and SOCCSKSARGEN (both at 4.0 percent). Meanwhile, regions with the highest rates of unemployment were Ilocos (8.9 percent), NCR (7.4 percent) and CALABARZON (7.0 percent). Interestingly, the regions which registered the lowest poverty incidence in 2015, i.e., NCR and CALABARZON, had the highest rates of unemployment (Figure 2). Meanwhile, ARMM which has the highest poverty incidence among individuals posted the second lowest unemployment in 2017. Why does this seem counter-intuitive?



Source: PSA

There are several factors that may explain this divergence (see trendlines in Figure 2) in poverty and unemployment rates. These include: (a) the conceptual relationship between poverty and unemployment; (b) how both indicators are measured; and (c) the underlying structure of employment in the country.

To explain the relationship of the two concepts of poverty and unemployment, Saunders (2002) shows possible combinations of poverty status and employment status (Figure 3).



Source: Saunders (2002)

The first quadrant in Figure 3 indicates that it is possible to be employed but considered poor, as may be exemplified by the ARMM case. The low level of unemployment but high rate of poverty in the ARMM can be attributed to the high proportion of employed persons in the agriculture sector as well as those who are classified as self-employed or unpaid family worker (SUFW), i.e., informal sector

¹Asian Development Bank (ADB), 2009, "Poverty in the Philippines: Causes, Constraints and Opportunities"

employment. This implies that people employed in the region are composed largely of those who work with minimal or no income at all – incomes that fall below the per capita poverty threshold. A 2016 report by the World Bank cited that in-work poverty is pervasive in the Philippines due mainly to the high incidence of low-pay.¹ The report noted that workers employed in low-skilled, low-productivity jobs run a higher risk of poverty than the unemployed because the capacity to earn is quite low. In fact, in the past four poverty surveys, employed individuals belonging to poor families have consistently posted higher poverty incidence than the unemployed population, although the difference has narrowed through the years (Table 1).

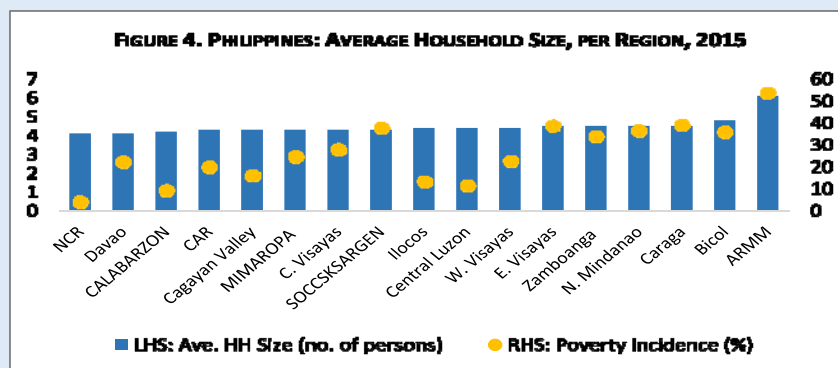
	2006	2009	2012	2015
PHILIPPINES	26.6	26.3	25.2	21.6
Employed population	22.9	22.8	21.9	18.0
Unemployed population	16.5	16.8	18.7	16.4

Source: PSA

Meanwhile, the third quadrant covers those who are unemployed but not poor, as may be the case for the NCR. This represents individuals who do not hold any job but may receive some form of “income” from family members.² The World Bank report (2016) indicated that the unemployed are often those who are well-educated young persons that come from well-off families.

Assessing the link between poverty and unemployment also depends significantly on how they are measured. Saunders (2002) underscored that the unit of analysis in poverty determination is household income whereas for the labor force status it is the individual.

In the Philippines, poverty incidence is based on the income derived from the Family Income and Expenditure Survey (FIES), which refers to total family income rather than individual income. The total income of a family with one or more members who are working is divided among the family members to arrive at the per capita income of each member. This may be one reason why the ARMM registered the highest poverty incidence per individual as it registered the largest household size of 6.1 persons compared to the national average of 4.4 persons (Figure 4).³ By definition, all family members are considered poor if the per capita income falls below the poverty threshold.



Source: PSA

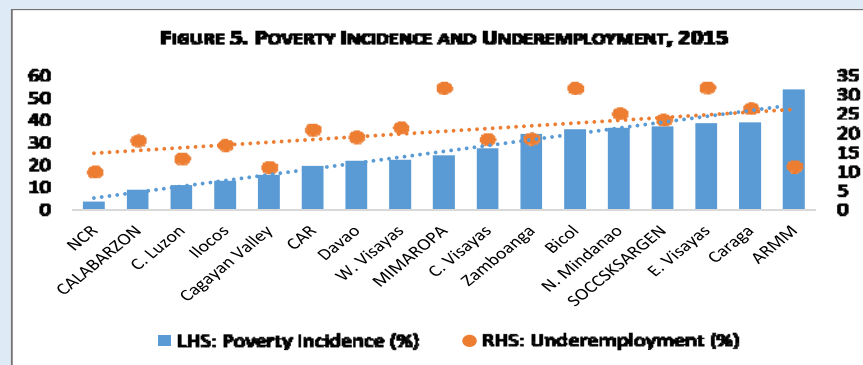
¹ World Bank, January 2016, Republic of the Philippines Labor Market Review: Employment and Poverty

² Family Income is defined as primary income and receipts from other sources received by all family members during the reference period, as participants in any economic activity or as recipients of transfers, pensions, grants, interests, food and non-food items received as gifts by the family.

³ Caution must be taken, however, in concluding that larger families tended to be poorer. There are a number of studies devoted into looking more closely at the relationship between household size and poverty.

Consideration should also be taken as to the nature and structure of employment in the country in the assessment of the nexus between poverty and unemployment. In terms of the class of workers, for example, about a third of employed persons in the country are classified as self-employed and unpaid family workers (SUFW, i.e., those without pay in own-family operated farm or business). Based on a report by the Department of Labor and Employment (DOLE), SUFWs are those who work “under relatively precarious circumstances” as they are less likely to have formal work arrangements, access to benefits or social protection programs and, therefore more exposed to economic cycle risks.¹

In addition, among those who are employed, 1 out of 6 are underemployed or those who would like to work more hours to augment their earnings. Underemployment in the regions actually has a stronger positive correlation with poverty incidence than unemployment (Figure 5). Both the World Bank and Organization of Economic Cooperation and Development (OECD) cite that, from the perspective of poverty in the Philippines, underemployment is a bigger issue than unemployment.²



Conclusion and policy implications

This article aims to identify some of the gaps in understanding the relationship between poverty and unemployment in the Philippines from a regional perspective. At the outset, regional data on rates of poverty and unemployment prominently show divergence, challenging the widely-held view that the lack of jobs is to blame for the high incidence of poverty in the country.

Looking at some of the factors that explain this disparity, particularly based on regional data, offers a stark inference – that people find themselves poor (i.e., falling below the poverty threshold) not because they do not work but mainly because they hold low quality jobs and receive very little earnings, if they get any at all. This has significant implications for poverty-reduction policies and initiatives in the Philippines. Poverty alleviation measures would therefore entail not only the creation of jobs but ensuring the availability of better quality and more decent jobs.

As a final point, discussions in this article bears emphasis that the poverty rate and employment status are only two of the many features and facets of a country’s poverty situation. In the Philippines, there has already been some extensive research devoted in the construction of a multi-dimensional poverty index (MPI) to allow for a more profound poverty assessment and more targeted intervention.³

¹ MDGs Indicators on Employment: Proportion of Self-Employed and Unpaid Family Workers in Total Employment, Labstat Updates, December 2012

² World Bank, January 2016, Republic of the Philippines Labor Market Review: Employment and Poverty; OECD, 2014, Philippine Country Note, extract from Economic Outlook for Southeast Asia, China and India 2014: Beyond the Middle-Income Trap

³ Albis, Manuel Leonard and Jessmond Elviña (2017) “Employment Correlates of Multidimensional Poverty in the Philippines”

Fiscal Sector

Receipts and Expenditures of LGUs

Receipts and Expenditures of Local Government Units (LGUs). The LGUs' total ending cash balance for the Fiscal Year (FY) 2017 reached ₱519.0 billion, higher by 23.6 percent from FY 2016.

Total LGU Receipts reached ₱564.9 billion in FY 2017, of which 71.1 percent or ₱401.8 billion came from external sources (97.2 percent of which were accounted for internal revenue allotment [IRA]); 28.1 percent or ₱158.9 billion came from local sources (65.2 percent from tax revenues); and 0.7

CALABARZON, NCR and Central Luzon post the largest receipts from tax revenues

percent or ₱4.2 billion from non-income receipts (72.4 percent from capital investments).

Of total LGU receipts, 12.8 percent came from CALABARZON amounting to ₱72.5 billion; 12.7 percent or ₱71.6 billion from NCR; and 9.4 percent or ₱53.4 billion from Central Luzon. The said regions also topped the list of regions with the largest receipts from tax revenues. CALABARZON, Central Luzon, and Western Visayas received the highest IRA shares of 10.9 percent, 9.5 percent, and 8.0 percent, respectively. Central Visayas

Table 11. Receipts and Expenditures
In billion pesos

REGION	NCR	CAR	I	II	III	IVA	IVB	V	VI	VII	VIII	IX	X	XI	XII	XIII	ARMM
BEGINNING CASH BALANCE	82.0	11.0	16.1	14.5	28.7	54.3	17.4	27.0	37.0	36.3	20.8	15.0	14.2	12.3	14.6	8.5	10.4
RECEIPTS	71.6	15.7	27.9	24.3	53.4	72.5	19.9	26.2	38.1	42.8	25.3	18.7	31.4	26.8	20.7	18.9	30.7
Local Sources	49.4	2.0	5.4	3.2	14.8	27.1	1.7	2.6	6.3	12.0	1.7	1.8	8.4	5.9	2.4	0.3	14.0
Tax Revenues	41.5	0.9	2.6	1.3	9.5	20.6	0.9	1.4	3.6	8.0	1.0	1.0	5.1	3.7	1.3	0.2	1.1
Non-Tax Revenues	7.9	1.2	2.8	1.9	5.3	6.6	0.8	1.2	2.7	4.0	0.7	0.9	3.3	2.1	1.1	0.1	12.8
External Sources	22.1	13.6	22.5	21.1	38.3	45.2	18.2	23.7	31.7	28.1	23.6	16.3	23.0	20.9	18.2	18.6	16.7
Share from IRA	21.5	12.9	20.9	20.9	37.2	42.4	18.2	23.6	31.3	27.4	23.4	16.2	21.7	19.9	18.2	18.3	16.4
Share from GOCCs (PAGCOR and PCSO)	0.1	0.0	0.0	0.0	0.2	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	0.0	0.0	0.0
Other Share from National Tax Collection	0.5	0.7	1.5	0.1	0.4	1.8	0.0	0.0	0.3	0.6	0.0	0.0	0.8	0.0	0.0	0.2	0.3
Inter-Local Transfer	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.1	0.0	0.1	0.3	-	0.0	0.1	0.0
Extraordinary Receipts/Grants/Donations/Aids	-	0.0	0.1	0.1	0.5	0.1	0.0	0.0	0.0	0.0	0.1	0.0	0.2	0.0	0.0	0.0	0.0
Non-Income Receipts	0.1	0.0	0.0	0.1	0.3	0.2	0.0	0.0	0.1	2.7	0.1	0.5	0.0	0.0	0.1	0.0	0.0
Capital Investment Receipts	0.1	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	2.7	0.0	0.0	0.0	0.0	0.0	0.0	-
Receipts from Loans and Borrowings	-	-	0.0	0.1	0.2	0.1	-	-	0.1	0.0	0.0	0.5	-	-	0.1	-	0.0
EXPENDITURES	63.6	15.1	25.5	23.0	48.6	65.6	13.9	13.9	29.9	40.4	14.1	13.5	31.1	22.6	17.3	11.5	16.4
General Services	31.2	6.3	13.0	13.1	26.3	29.9	7.1	7.0	14.6	18.8	7.3	5.9	13.9	11.4	8.4	6.3	7.3
Economic Services	11.8	4.3	5.9	4.6	8.4	14.7	3.2	3.3	6.0	10.0	3.1	3.4	7.8	4.8	4.4	3.8	3.7
Social Services	19.8	3.9	5.6	4.4	11.5	17.8	3.4	3.1	7.1	9.9	2.9	3.0	7.6	5.1	3.4	1.3	3.4
Debt Services	0.8	0.7	0.9	1.0	2.5	3.2	0.2	0.6	2.3	1.7	0.8	1.2	1.8	1.4	1.1	0.1	2.0
ENDING CASH BALANCE	90.1	11.6	18.5	15.9	33.4	61.2	23.5	39.3	45.2	38.7	32.1	20.2	14.5	16.4	18.0	15.9	24.8

Source: Department of Budget and Management, Table F.7 Statement of Receipts and Expenditures, By Regional Level of LGUs, 2017

registered the highest non-income receipts at ₱2.7 billion sourced from capital investments.

Meanwhile, total LGU Expenditures amounted to ₱465.9 billion which were spent for general services, 48.9 percent or ₱227.7 billion; social services, 24.3 percent or ₱113.0 billion; economic services, 22.1 percent or ₱103.0 billion; and debt services, 4.7 percent or ₱22.1 billion.

In FY 2017, the regions that disbursed the largest amount were CALABARZON at ₱65.6 billion, NCR at ₱63.6 billion, and Central Luzon at ₱48.6 billion. The said amounts comprised 14.1 percent, 13.6 percent, and 10.4 percent of the total nationwide LGU expenditures, respectively. Most of the expenditures from these regions were devoted to general services.

Monetary Sector

Inflation

Inflation rates in the regions increase

Inflation. Average annual inflation rates in most regions escalated in 2017 compared to the previous year. Of the 17 regions, 12 posted notable increases from previous year's inflation. Despite the acceleration, majority (a total of 12) of these regions' inflation rates remained within the national government's inflation target range of 3.0 percent \pm 1.0 percentage point during the year. The regions that registered within-target inflation rates in 2017 include: Ilocos (2.0 percent), Western Visayas (2.2 percent), Caraga (2.4 percent), Zamboanga Peninsula (2.4 percent), CALABARZON (2.8 percent), Central Luzon (3.1 percent), Central Visayas (3.2 percent), Cagayan Valley (3.4 percent), Northern Mindanao (3.4

percent), Davao (3.6 percent), Eastern Visayas (3.8 percent), and Metro Manila (4.0 percent).

The average annual inflation rates recorded in the 17 regions ranged from a low of 1.8 percent (which was twice higher than the lowest average inflation registered in 2016 of 0.9 percent) to a high of 4.6 percent. The two regions which posted the highest and above-target annual average inflation rates in 2017 were Bicol (4.6 percent) and ARMM (4.5 percent). The rise in inflation in the Bicol Region was attributed to higher oil prices, which manifested into higher domestic prices for both food and non-food commodities due to

Table 12. Inflation Rate
In percent

	REGION	2015	2016	2017
ALL ITEMS				
PHILIPPINES				
1	Metro Manila	1.0	1.2	4.0
	Areas Outside Metro Manil	1.5	1.9	2.9
2	CAR	1.5	1.9	1.8
3	Ilocos Region (I)	1.4	1.8	2.0
4	Cagayan Valley (II)	2.0	3.0	3.4
5	Central Luzon (III)	1.3	2.2	3.1
6	CALABARZON (IV-A)	0.9	0.9	2.8
7	MIMAROPA (IV-B)	1.4	2.1	1.8
8	Bicol Region (V)	1.0	1.1	4.6
9	Western Visayas (VI)	2.3	2.2	2.2
10	Central Visayas (VII)	1.8	2.8	3.2
11	Eastern Visayas (VIII)	1.8	1.3	3.8
12	Zamboanga Peninsula (IX)	2.5	2.9	2.4
13	Northern Mindanao (X)	1.3	1.4	3.4
14	Davao Region (XI)	2.6	3.2	3.6
15	SOCCSKSARGEN (XII)	1.4	2.9	1.9
16	Caraga	2.5	1.9	2.4
17	ARMM	2.6	2.9	4.5

Source: PSA

higher cost of production and the devastating impact of typhoon Nina which hit the region in December 2016 causing significant damage on agricultural crops in the region. In ARMM, higher inflation during the year was driven by faster price

increases in food and non-alcoholic beverages; alcoholic beverages and tobacco; and housing, water, electricity, gas and other fuels. Meanwhile, three regions registered below-target inflation rates in 2017 namely CAR and MIMAROPA (both at 1.8 percent, respectively) and SOCCSKSARGEN (1.9 percent). The low average inflation rate in these regions during the year was attributed to the slower price increases in food and alcoholic beverages; education; and restaurants and miscellaneous goods and services contributed to the deceleration in price hikes.

Table 13. Approved Foreign Investments

Growth Rates and Share to Total

REGION	Growth Rate			Share to total		
	2015	2016	2017	2015	2016	2017
PHILIPPINES	31.2	-10.7	-51.8	100	100	100
1 NCR	-34.4	10.1	-53.7	13.9	17.2	16.5
2 CAR	1,651.6	-6.2	-99.4	10.7	11.3	0.1
3 Ilocos Region (I)	—	737.7	66.7	0.3	2.8	9.6
4 Cagayan Valley (II)	74.2	263.4	-96.2	0.2	1.0	0.1
5 Central Luzon (III)	-11.3	-39.6	-23.1	9.3	6.3	10.0
6 CALABARZON (IV-A)	32.6	-18.4	-48.7	47.2	43.1	45.8
7 MIMAROPA (IV-B)	69.7	-66.9	-24.9	1.6	0.6	0.9
8 Bicol Region (V)	444,202,139.8	-100.0	—	0.8	0.0	0.2
9 Western Visayas (VI)	339.7	28.5	-25.9	2.9	4.2	6.5
10 Central Visayas (VII)	61.8	16.4	-55.2	4.8	6.2	5.8
11 Eastern Visayas (VIII)	-94.7	-93.2	5,380.8	0.0	0.0	0.1
12 Zamboanga Peninsula (IX)	—	—	-100.0	0.0	0.1	0.0
13 Northern Mindanao (X)	45.4	-60.7	36.9	1.6	0.7	2.0
14 Davao Region (XI)	243.2	-25.8	-46.5	0.7	0.6	0.7
15 SOCCSKSARGEN (XII)	115.8	69.0	-94.0	2.6	5.0	0.6
16 Caraga	88.9	-55.2	-70.7	1.3	0.6	0.4
17 ARMM	-100.0	—	-33.1	0.0	0.5	0.7
Several Locations ²	1,887,465.4	-100.0	—	2.1	0.0	0.1
No Site Yet ³	—	-100.0	—	0.0	0.0	0.0

Coverage of reports: Authority of the Freeport Area of Bataan (AFAB), Board of Investments (BOI), BOI-Autonomous Region of Muslim Mindanao (BOI-ARMM), Clark Development Corporation (CDC), Cagayan Economic Zone Authority (CEZA), Philippine Economic Zone Authority (PEZA), and Subic Bay Metropolitan

¹ Locations not indicated in the raw data submitted to PSA.

² As indicated in the raw data submitted to PSA.

³ preliminary

— infinite growth rate

Source: PSA

² Approved foreign investments represent investment commitments and pledges by foreigners regardless of the percentage of ownership of the ordinary shares, which may be realized in the near future, while FDI refers to actual foreign investments generated, with the foreign

External Sector

Approved Foreign Investments

Approved foreign investments contract...

Approved foreign investments. As reported by investment promotion agencies (IPAs), approved foreign investments (FIs) in the country contracted in 2017 by 51.8 percent, continuing the slide from 2016. Most of the regions (14 out of 17) experienced declines in approved FIs.²

investors owning 10 percent or more of the ordinary shares. [Source: PSA. (2018). Foreign investments: fourth quarter 2017, In The Foreign Investments in the Philippines, 22 February 2018, Quezon City, Philippines.]

Table 14. Approved Foreign and Filipino Investments

Growth Rates and Share to Total

REGION	Growth rate			Share to total		
	2015	2016	2017	2015	2016	2017
PHILIPPINES	-9.1	-0.1	32.5	100.0	100.0	100.0
1 NCR	-45.9	34.7	-19.4	17.2	23.2	14.1
2 CAR	1,100.8	117.2	-95.7	3.8	8.4	0.3
3 Ilocos Region (I)	-26.0	495.3	256.1	0.4	2.5	6.8
4 Cagayan Valley (II)	122.9	-1.1	163.6	0.8	0.8	1.6
5 Central Luzon (III)	-58.7	49.8	101.6	8.7	13.1	19.9
6 CALABARZON (IV-A)	21.1	-33.0	106.3	39.5	26.5	41.2
7 MIMAROPA (IV-B)	-52.9	-6.8	-33.3	0.9	0.8	0.4
8 Bicol Region (V)	514.6	-51.9	23.1	1.4	0.7	0.6
9 Western Visayas (VI)	198.5	-50.8	-35.1	12.2	6.0	2.9
10 Central Visayas (VII)	168.4	24.7	-12.1	6.0	7.4	4.9
11 Eastern Visayas (VIII)	262.9	-88.9	-9.2	1.1	0.1	0.1
12 Zamboanga Peninsula (--	4,314.6	-100.0	0.0	0.1	0.0
13 Northern Mindanao (X)	-75.0	-3.3	-18.0	2.3	2.2	1.4
14 Davao Region (XI)	-48.5	276.4	-52.1	1.1	4.1	1.5
15 SOCCSKSARGEN (XII)	224.8	78.3	27.9	1.9	3.4	3.3
16 Caraga	-24.9	-49.3	117.1	0.6	0.3	0.5
17 ARMM	-32.4	-19.2	53.2	0.4	0.3	0.4
					0.0	0.0
Several Locations ¹	35.3	-100.0	--	1.7	0.0	0.0
No Site Yet ²	--	-100.0	--	0.0	0.0	0.0

Coverage of reports: Authority of the Freeport Area of Bataan (AFAB), Board of Investments (BOI), BOI-Autonomous Region of Muslim Mindanao (BOI-ARMM), Clark Development Corporation (CDC), Cagayan Economic Zone Authority (CEZA), Philippine Economic Zone Authority (PEZA), and Subic Bay Metropolitan Authority (SBMA).

¹ Locations not indicated in the raw data submitted to PSA.

² As indicated in the raw data submitted to PSA.

^p preliminary

-- infinite growth rate

Source: PSA

Eastern Visayas region posted the highest growth (>1,000 percent) rate in approved FIs followed by Ilocos Region with 66.7 percent and Northern Mindanao with 36.9 percent. Biggest declines in approved FIs were observed in Zamboanga Peninsula (100.0 percent), CAR (99.4 percent) and Cagayan Valley (96.2 percent) after a few years of strong growth.

In terms of share to total approved FIs, top location regions in 2017 were CALABARZON (45.8

percent), NCR (16.5 percent), Central Luzon (10.0 percent), Ilocos Region (9.6 percent) and Western Visayas (6.5 percent). Majority of the approved FIs in Region IV-A and Region III were intended for projects in the manufacturing industry. For NCR, the projects would be mostly in real estate activities.

Approved investments of foreign and Filipino nationals. Combined approved foreign and Filipino nationals' investments in the country grew by 32.5

percent in 2017, after consecutive declines in 2015 and 2016. Ilocos Region led the recovery with a growth of 256.1 percent, Cagayan Valley with 163.6 percent and Caraga with 117.1 percent.

Biggest declines in approved FIs were observed in Zamboanga Peninsula (100.0 percent), CAR (95.7 percent) and Cagayan Valley (96.2 percent).

...while combined approved foreign and Filipino investments expand

In terms of share to total foreign and Filipino approved investments, top location regions in 2017 were CALABARZON (41.2 percent), Central Luzon (19.9 percent), NCR (14.1 percent), Ilocos Region (6.8 percent) and Western Visayas (4.9 percent). Majority of the investments in NCR were intended for real estate activities. For CALABARZON and Central Luzon, the ventures would be mostly in electricity, gas, steam and air conditioning supply and transportation and storage, respectively.

Financial Sector

Banking and Microfinance

Increase in bank deposits outpaces increase in loan portfolio

Banking. While aggregate credit activity showed improvement, the increase in deposits outpaced the rise in loan portfolios resulting in lower loans-to-deposits ratios (LDR) for all regions in 2017.

NCR registered the highest LDR at 89.0 percent in 2017, followed by SOCCSKSARGEN (49.4 percent)

Table 15. Loans-to-Deposits Ratio

In percent

REGION	2015	2016	2017
PHILIPPINES	63.2	65.0	70.6
1 NCR	79.8	81.8	89.0
2 CAR	14.7	14.1	13.7
3 Ilocos Region (I)	23.0	22.5	24.5
4 Cagayan Valley (II)	40.6	43.0	43.4
5 Central Luzon (III)	28.2	29.6	33.3
6 CALABARZON (IV-A)	19.0	19.6	23.4
7 MIMAROPA (IV-B) ^{1/}	32.7	33.7	33.2
8 Bicol Region (V)	32.5	34.1	33.2
9 Western Visayas (VI)	27.6	28.1	30.8
10 Central Visayas (VII)	40.2	42.4	45.6
11 Eastern Visayas (VIII)	25.4	24.8	26.7
12 Negros Island Region ^{2/}	25.7	27.5	-
13 Zamboanga Peninsula (IX)	26.0	29.8	25.3
14 Northern Mindanao (X)	29.3	32.4	33.3
15 Davao Region (XI)	35.2	42.5	40.8
16 SOCCSKSARGEN (XII)	38.5	46.5	49.4
17 Caraga	29.0	32.5	32.1
18 ARMM	17.5	15.8	13.9

^{1/} Under Administrative Order No. 129 Palawan was reclassified from Region VI to Mimaropa effective August 31, 2007.

^{2/} Negros Island Region (NIR) created under Executive Order No. 183

Details may not add up to totals due to rounding-off
Source: SDC, SES-BSP

and Central Visayas (45.6 percent). The high LDRs in these regions reflected banks' greater efficiency in channeling deposits to lending activities.

Deposit liabilities continue to grow

Deposit liabilities in 2017 of BSP-supervised institutions in all regions managed to post growths. Robust deposit liabilities upticks were observed in Western Visayas (90.4 percent), ARMM (30.6 percent) and MIMAROPA (23.5 percent). Meanwhile, declines in LDRs were observed in Zamboanga Peninsula, ARMM and Davao Region.

Table 16. Deposit Liabilities

Levels and Growth rate

REGION	Levels			Growth rate		
	2015	2016	2017	2015	2016	2017
PHILIPPINES	9,165,412	10,491,828	11,704,683	8.4	14.5	11.6
1 NCR	6,194,270	7,069,117	7,879,151	4.7	14.1	11.5
2 CAR	83,579	96,425	110,175	16.6	15.4	14.3
3 Ilocos Region (I)	158,033	185,367	204,110	18.4	17.3	10.1
4 Cagayan Valley (II)	100,826	113,997	128,293	17.8	13.1	12.5
5 Central Luzon (III)	455,998	527,290	601,811	16.8	15.6	14.1
6 CALABARZON (IV-A)	620,919	731,257	812,384	16.0	17.8	11.1
7 MIMAROPA (IV-B) ^{1/}	54,575	65,056	80,335	22.3	19.2	23.5
8 Bicol Region (V)	107,426	124,626	140,314	18.5	16.0	12.6
9 Western Visayas (VI)	149,948	167,858	319,543	-30.8	11.9	90.4
10 Central Visayas (VII)	463,518	505,395	582,732	7.6	9.0	15.3
11 Eastern Visayas (VIII)	84,925	94,334	109,184	20.3	11.1	15.7
12 Negros Island Region ^{2/}	142,009	160,275			12.9	
13 Zamboanga Peninsula (IX)	83,613	95,866	107,690	17.9	14.7	12.3
14 Northern Mindanao (X)	132,285	152,816	172,437	15.4	15.5	12.8
15 Davao Region (XI)	174,259	214,789	240,357	16.0	23.3	11.9
16 SOCCSKSARGEN (XII)	93,771	108,077	124,496	16.5	15.3	15.2
17 Caraga	55,809	69,266	78,591	17.4	24.1	13.5
18 ARMM	9,649	10,017	13,079	27.4	3.8	30.6
Highest	6,194,270	7,069,117	7,879,151			
Lowest	9,649	10,017	13,079			
National Average	174,773	201,336	239,096			
(excluding National Capital Region)						

^{1/} Under Administrative Order No. 129 Palawan was reclassified from Region VI to Mimaropa effective August 31, 2007.

^{2/} Negros Island Region (NIR) created under Executive Order No. 183 dated 29 May 2015, composed of the provinces of Negros Occidental (formerly from Region VI Western Visayas) and Negros Oriental (formerly from Region VII Central Visayas)

Details may not add up to totals due to rounding-off

Source: SDC, SES, BSP

In terms of share to total deposit liabilities, more than half are concentrated in the NCR (67.3 percent). Other top regions with high share of deposit liabilities were CALABARZON (6.9 percent), Central Luzon (5.1 percent), Central Visayas (5.0 percent), and Western Visayas (2.7 percent). The

Bank density consistently improves

NCR continued to have the highest number of banks relative to the total number of cities/municipalities with a density ratio of 214.6 percent in 2017. Following NCR were CALABARZON and Central Luzon with density ratios of 12.2 percent and 9.3 percent,

respectively. The density ratios of all regions have increased compared to the 2016 levels. This indicates that more banks are able to provide services to a greater number of cities/municipalities in their areas.

Number of microfinance-oriented banks surges

Microfinance. The number of microfinance service providers in the country steadily increased for most regions, reaching 1,057 in 2017, a growth of 29.5 percent.

Table 17. Bank Density Ratio

In percent

REGION	2015	2016	2017
PHILIPPINES	6.6	6.8	7.2
1 NCR	198.8	206.1	214.6
2 CAR	2.1	2.1	2.3
3 Ilocos Region (I)	3.9	4.2	4.7
4 Cagayan Valley (II)	3.7	3.8	4.2
5 Central Luzon (III) ^{2/}	8.4	8.8	9.3
6 CALABARZON (IV-A) ^{3/}	11.4	11.7	12.2
7 MIMAROPA (IV-B) ^{3/}	3.4	3.7	3.8
8 Bicol Region (V)	3.5	3.8	4.1
9 Western Visayas (VI) ^{3/}	4.2	4.5	5.2
10 Central Visayas (VII)	5.8	5.9	6.0
11 Eastern Visayas (VIII)	1.4	1.5	1.6
12 Negros Island Region ^{4/}	4.9	5.2	-
13 Zamboanga Peninsula (IX)	3.0	3.1	3.1
14 Northern Mindanao (X)	4.0	4.1	4.3
15 Davao Region (XI)	8.3	8.7	9.1
16 SOCCSKSARGEN (XII)	4.4	4.6	5.0
17 Caraga	3.0	2.8	2.9
18 ARMM	0.2	0.2	0.2

^{1/} Ratio of the Number of Banking Offices to the Number of Municipalities and Cities Per Region

^{2/} Inclusive of the province of Aurora effective May 17, 2002 as provided under Executive Order No. 103

^{3/} Executive Order No. 103 dated May 17, 2002 divided Region IV (Southern Tagalog) into Region IV-A (CALABARZON) and Region IV-B (MIMAROPA). Under Administrative Order No. 129 Palawan was reclassified from Region VI to MIMAROPA effective August 31, 2007.

^{4/} Negros Island Region (NIR) created under Executive Order No. 183 dated 29 May 2015, composed of the provinces of Negros Occidental (formerly from Region VI Western Visayas) and Negros Oriental (formerly from Region VII Central Visayas)

Source: SDC, SES-BSP

Central Visayas led the regions with the growth in microfinance-oriented banks or MOBs (228.6 percent) in 2017, followed by Cagayan Valley (185.7 percent) and SOCCSKSARGEN (180 percent). The number of MOBs in Northern Mindanao and NCR both declined, as they posted 5.9 percent and 5.8 percent contractions, respectively. In terms of share to total MOBs, regions with most microfinance banks were CALABARZON (26.9 percent), Bicol (12.7 percent), Western Visayas (9.9 percent), Central Luzon (8.0 percent) and Ilocos Region (7.4 percent).

Meanwhile, outstanding microfinance loans extended by the banking system likewise grew by 24.5 percent in 2017. Top regions that posted strong loan growth were CAR (77.4 percent), Central Luzon (45.1 percent), Zamboanga Peninsula (44.9 percent) and NCR (44.3 percent).

Table 18. Number of Microfinance-Oriented Banks

REGION	2015	2016	2017
PHILIPPINES	652	816	1,057
1 NCR	39	52	49
2 CAR	10	12	20
3 Ilocos Region (I)	12	34	78
4 Cagayan Valley (II)	7	7	20
5 Central Luzon (III)	25	49	85
6 CALABARZON (IV-A)	216	245	284
7 MIMAROPA (IV-B)	63	78	79
8 Bicol Region (V)	97	111	134
9 Western Visayas (VI)	74	90	105
10 Central Visayas (VII)	18	21	69
11 Eastern Visayas (VIII)	17	18	29
12 Negros Island Region *	2	12	0
13 Zamboanga Peninsula (IX)	13	12	12
14 Northern Mindanao (X)	18	17	16
15 Davao Region (XI)	24	38	48
16 SOCCSKSARGEN (XII)	2	5	14
17 Caraga	15	15	15
18 ARMM	0	0	0

* Revocation of EO No. 183 which created the Negros Island Region and transferring Negros Occidental and Negros Oriental to Region VI (Western Visayas) and Region VII (Central Visayas) respectively, per Executive Order No. 38, s. 2017 effective 07 August 2017
Source: SDC, SES-BSP

However, microfinance loans in MIMAROPA and Ilocos Region fell by 31.7 percent and 27.6 percent, respectively.

In terms of share to total microfinance loans outstanding, majority were in CALABARZON (72.8 percent).

The number of microfinance borrowers likewise experienced an uptick in 2017 by 16 percent. Regions with the most growth in the number of borrowers were Central Visayas (30.4 percent), CALABARZON (20.5 percent) and Zamboanga Peninsula (17.8 percent). However, the number of microfinance borrowers fell mostly in Ilocos Region (40.9 percent), MIMAROPA (16.9 percent) and NCR (9.3 percent).

Similar to total microfinance loans outstanding, majority of microfinance borrowers were located in CALABARZON (79.4 percent).

CORDILLERA ADMINISTRATIVE REGION

Opportunities

- Development of a ₱690,000 mini-retailing trading center for organic products received by Barangay Loacan Organic Farmers Association (BLOFA) of Sitio Bacong, Loacan, Itogon, to increase production of organic products.
- Strengthening agri-industrial development through the establishment of the Eastern Kalinga Growth Center (EKGC), which is part of the region's spatial strategy of establishing two primary and regional growth centers in the region: the BLISTT (Baguio City-La Trinidad-Itogon-Sablan-Tublay) area as the southern growth node and Eastern Kalinga (Tabuk-Pinukpuk-Rizal) as the northern growth node.
- Proposed establishment of a Regional Research and Development Center for Innovative Science and Engineering. This project seeks to fill the region's gap in facilities and equipment needed for basic and scientific research, innovations, and trainings and make these available to the entire Cordillera region and its neighboring regions.
- Commitment from the Cordillera Regional Development Council (RDC-CAR) and private sector stakeholders in restoring commercial operations of the Baguio Airport.
- Funding of the study "*Estimating the Urban Carrying Capacity of Baguio City*" by the National Economic and Development Authority (NEDA) Research and Development (R&D) Program. This study is in response to incessant calls by the region's development stakeholders to assess the City's population carrying capacity. The study will help NEDA, the City Government, and key development stakeholders formulate more responsive plans, programs and policies that would help ensure the sustainability of the City's urban environment without causing serious degradation and irreversible damage.
- Approval of the Integrated Management and Development Plans of Abra, Agno and Cagayan River Basins by RDC-CAR. These plans support the region's role as the Watershed Cradle of Northern Philippines.

CORDILLERA ADMINISTRATIVE REGION

Challenges

- Need for the preservation of the organic production of the heirloom rice of the region, through its Heirloom Rice Project (HRP) by the Department of Agriculture (DA) Cordillera, in partnership with the Agriculture Training Institute (ATI).
- Unbalanced economic growth since the trade and industry sector is concentrated in Baguio City.
- Need for prioritization of development activities, which are part of the BLISTT Action Agenda 2016-2019 as follows: a) integrated engineered sanitary landfill for Baguio City and the Municipalities of La Trinidad, Itogon, Sablan, Tuba, and Tublay; b) preparation of a BLISTT tourism brochure; c) establishment of ecozones in the BLISTT; d) and the completion of the BLISTT Outer and Inner Circumferential Roads.

Region I

ILOCOS

Opportunities

- Agricultural Credit Policy Council's (ACPC's) Production Loan Easy Access (PLEA) grant of ₱20 million to the Nueva Segovia Consortium of Cooperatives (NSCC) as credit conduits to farmers engaged in onion and garlic growing in the region. The PLEA program is a special credit program designed by the DA to provide fast, convenient and affordable credit window for farmers and fisherfolk to boost the productivity and income of the farmer-members.
- Construction of a ₱44 million flood mitigation structure at Badoc Bridge, Badoc, Ilocos Norte in Q4 2017, to support local farmers in their farming and trade activities.
- Information drive on quality production of the newly improved flavor of Virginia tobacco by the National Tobacco Administration (NTA) was held in all tobacco-growing municipalities in the region. Moreover, NTA's Integrated Farming and Other Income Generating Activities Project (IFOIGAP), which aims to improve the volume and quality of production for tobacco and other crops, will augment the income of local farmers.
- Implementation of the following projects by the Department of Public Works and Highways (DPWH): a) rehabilitation of the Candon-Salcedo-Del Pilar Road; b) rehabilitation of concrete roads; c) slope protection; and d) Portland Cement Concrete Pavement (shoulder) and drainage.
- Implementation of various agricultural programs/projects by the Provincial Governments of Ilocos Norte and Ilocos Sur, as follows:
 - Continuous implementation of the
- Development of international cruises by the Ilocos Norte Tourism Office (INTO) and Small to Medium Enterprises (SME) Office (*Superstar Virgo*, under Star Cruises).
- Implementation of the Nurses Development Program (NDP) of the Department of Health (DOH) is expected to increase employment in Ilocos Norte and Ilocos Sur.
- Construction of the US\$390 million mega-economic zone in Pangasinan, a 30-year program that will initially benefit 10 municipalities, including Dagupan City, to be undertaken by a consortium of big foreign companies from China, Singapore and Taiwan.
- The opening of Binalonan to Pozorrubio segment of the Tarlac-Pangasinan-La Union Expressway by end-2017, to spawn more economic developments in Pangasinan and adjacent provinces.
- Opening of shopping malls and recreational buildings in Dagupan City and Urdaneta City.
- Distribution of farming equipment to farmers' associations or at least 138 farmers in the Province of Ilocos Sur. This is part of the DOLE Integrated Livelihood and Emergency Employment Program (DILEEP), the agency's contribution to the government's agenda of inclusive growth, which is expected to boost entrepreneurial activities that will create more employment opportunities in barangays.
- Irrigation of 12,000 hectares of farmlands benefitting 10,000 farmers by Agno River Irrigation System Extension Project (ARISEP) in end-2018.

Opportunities

- Integrated Pest/Nutrient Management, and conduct of trainings, technology demonstrations, and technical assistance to local farmers, fisher folks and livestock growers.
- Provision of crop production facilities such as farm tractor, rice reaper, seed spreader/cleaner, corn sheller, combined rice thresher/harvester, moisture meter, hammer mill, cassava grater and pressor, and vacuum pack sealer to local farmers; and fisheries production facilities/fishing paraphernalia to fishpond and fish cage operators.
- Distribution of hybrid/certified rice/corn seeds, planting materials, seedlings (cacao, fruit trees, coffee, mungbeans, garlic, onion, various vegetables and fruits), organic and inorganic fertilizers to local farmers.

Region I

ILOCOS

Challenges

- Decline in the mango production by 20 percent in the City of San Carlos, Pangasinan.
- Massive infestation of worms on onion plants, with damages estimated at ₱75.0 million (91 percent or 274 hectares infected) in various municipalities of Pangasinan.
- Shortage of skilled workers in carpentry, masonry, machine operators, heavy equipment operators, and welders for the simultaneous construction of bridges, highways and school buildings.

Region II

CAGAYAN VALLEY

Opportunities

- Implementation of the road projects under the Philippine Rural Development Program (PRDP) Phase 2 will provide key infrastructure, facilities, technology and information that will increase income, productivity and competitiveness of small farmers and fisherfolks in the countryside.
- Completion of the dairy processing plant in the Province of Isabela will create marketing opportunities for dairy products which will spur development in the dairy industry and other economic activities in the area.
- Completion of the rehabilitation and extension of the Mallig River Irrigation System (Mallig RIS), contributing to additional palay production.
- Completion of the 2017 National Greening Program (NGC) (covering seedling production, procurement and plantation) of the Department of Environment and Natural Resources (DENR)-Region 2 will help in the attainment of food security, land productivity, poverty reduction, self-sufficiency in wood and agro-forestry products, environmental stability and climate change mitigation and adaptation in the Region.
- Replacement of the old Sisim Bridge (₱52.2 million), located in San Agustin, Isabela, will play a major function in the interplay of agricultural, industrial and tourism growth and exchanges between the Municipalities of San Agustin, Jones, and Echague in Isabela and towns of Madella and Nagtipunan in Quirino.
- Implementation of the approved Cagayan Valley Regional Development Plan (CVRDP) 2017-2022 will serve as the first concrete step toward realizing the Cagayan Valley Region as the “Prime Water Resource, Agro-Industrial Hub, and Emerging Tourism Destination” in the country.
- On-going and future development plans and programs which will create vast opportunities:
 - ✓ “Full Aerodome Certificate” by the Civil Aviation Authority of the Philippines (CAAP) to the Cagayan North International Airport (CNIA) in 2017
 - ✓ Memorandum of Understanding between CEZA and Traders Holding Co. Ltd. of Japan to develop CEZA into a premier FinTech hub for financial technologies
 - ✓ Infrastructure projects vital to the increasing intra-Asian trade transactions (medical center, corporate center, convention center, boutique hotel and cyber park)
- CEZA’s industrial, agro-industrial, commercial and tourism projects for Northern Luzon (US\$161 billion):
 - ✓ Re-development and Rehabilitation of Port Irene (point of entry for Northern Luzon) and modernization of ports of Aparri and Claveria (sub-logistics hub) and a six-lane expressway linking the new airport to Port Irene to towns in Tuguegarao City.

Opportunities

- ✓ Concreting of the Lullutan-Cabanungan Road will improve transport mobility of residents to move agricultural products among barangays, municipalities and cities. The completed ₱15.9-million project will provide an easier access and comfort to the motorists and residents since the road section is a gateway to the western barangays in the Municipality of Gamu.
- ✓ A parallel railway system for passengers and cargo to provide better connectivity and a faster, cheaper and more efficient transport of goods and commodities in and out of the Zone.
- ✓ Re-opening of the Bagabag Airport in Nueva Vizcaya which will cater to the Clark-Bagabag-Clark route is expected to boost tourism.
- ✓ Opening of new malls and recreational centers.
- ✓ Completion of the Gattaran Flood Control and gabion retaining walls, which amounted to ₱73.0 million and ₱102.0 million, respectively. These projects are built to mitigate extensive flooding in Cagayan River Basin and low-lying areas of Nueva Vizcaya.

Region II

CAGAYAN VALLEY

Challenges

- Need to develop climate-resilient crop varieties and adaptive technologies to counter massive effects of unpredictable climate disturbances to the agricultural sector of the region.
- Illegal poaching and fishing are still rampant which cause damage and compromise security and protection of the northern seas.
- Low level of investments that can be attributed to the following: a) lack of infrastructure; b) high production cost; c) unstable supply of raw materials due to lack of connectivity between production areas and processing centers; d) poor handling, packaging and delivery; e) insufficient technical know-how and trainings on entrepreneurship; and f) lack of access to easy credit, financial packages and modern technology to boost production and income.
- Lack of an all-weather airport which should be equipped with advanced navigational systems and upgraded features (e.g. visual flight routes) for all-weather and night landing. Moreover, runways are limited and below the standard size for larger aircrafts.

Region III

CENTRAL LUZON

Opportunities

- Hosting of the “Binhi ng Pag-asa Program”, in collaboration with the Agricultural Training Institute - Regional Training Center III (ATI-RTC III), which aimed to engage young farmers in proper farming. Lectures were provided on vermi-composting, nursery management, organic concoctions, harvest and post-harvest handling, as well as leadership and organic agriculture practitioners and experts.
- Development of DA’s projects, as follows: a) construction of an onion research laboratory in Bongabon to increase the yield of local farmers and to introduce alternatives (shallots instead of seeds and drip irrigation through solar power generation) and b) construction of a ₱302-million biotechnology center in Muñoz, to improve crop productivity and create varieties.
- Completion of a ₱2.1 billion infrastructure projects (200-hectare portion of the Tipo area) which include the following: a) 19.6 kilometers of national roads; b) 88 lineal meters of bridges; c) 31 flood control structures; and d) 105 other infrastructure projects.
- Completion of a 12.2 kilometer-farm-to-market roads which amounted to ₱105.0 million.
- Conduct of training sessions by Department of Trade and Industry (DTI) under its Small and Medium Enterprises Roving Academy (SMERA) Program to prepare Central Luzon entrepreneurs to bigger markets and scale up the operations of micro, small, and medium enterprises in the region.
- Construction of a ₱2.6 billion tourism estate which include a residential complex, named
- Expansion of the Clark International Airport (CIA) with a new passenger terminal building and a link expressway, which may allow additional flights from international carriers.
- Development of the Clark Green City (CGC) Project in Clark Freeport Zone, Pampanga, which envisioned helping decongest main urban centers.
- Production of four Very Large Crude-oil Carriers (VLCCs) by Hanjin Heavy Industries and Construction-Philippines (HHIC-Phil) in Subic Bay Freeport Zone (SBFZ). This huge project is estimated to create additional job opportunities for more than 32,000 Filipino workers and is being recognized as a world-class shipyard with competitive edge.
- Proposed construction by the Subic Bay Metropolitan Authority (SMBA) of the Subic-Clark railway project by China Harbor Engineering Co. Ltd. (CHEC).
- Development of a ₱3.6-billion golf course, hotel and leisure facilities complex (200-hectare portion of the Tipo Area) in the Subic Bay Freeport by a Korean-led company.
- Establishments of four (4) Negosyo Centers (NC) in Bataan. Negosyo Centers are responsible for promoting ease of doing business and facilitating access to services for MSMEs.

Opportunities

as “the Sharp Clark Hills”. This is a joint venture of South Korea’s POSCO Engineering and Construction Co. Ltd. and JB Cresta, which is expected to employ 500 construction workers and 50 to 70 regular workers once operational.

Region III

CENTRAL LUZON

Challenges

- The bird flu outbreak (H5N6 strain or avian flu) has forced authorities to cull more than 600,000 chickens, ducks and quails in the affected Provinces (Pampanga and Nueva Ecija), thus, curtailing the growth of the poultry industry in the region.
- Inadequate and low standard tourism facilities in Nueva Ecija as a major setback in promoting the tourism industry in the Province. Likewise, tourism personnel and front liners are not equipped with proper training to handle tourism planning and promotion.
- The risk of damage to natural resources in the Province of Aurora has increased due to the construction of new resorts extending to the reserved forest areas and salvage zones.

Region IV-A

CALABARZON

Opportunities

- Ecozones lined up in the Province of Quezon are expected to provide local jobs in the region. A strong collaboration between the Philippine Economic Zone Authority (PEZA) and concerned local government units (LGUs) is needed to ensure that development will be inclusive and sustainable.
- Physical and technical expansion of new and existing Business Process Outsourcing (BPO) companies in the region will further drive growth in the services sector.
- Increased production of agricultural commodities for food processing in the City of San Pablo, the food processing hub of the region.
- Improvements in the area of Batangas Port will boost the port's potential as the "port of exit". Trade, business and tourism are expected to rise due to this development.

Region IV-A

CALABARZON

Challenges

- Continuous slow-down of the manufacturing sector which makes up 53 percent of the Region's Gross Regional Domestic Product (GRDP).
- Need for creation of jobs that is regular and full time.
- Aging farmers
- Rampant conversion of agricultural lands brought about by urbanization.
- Low productivity in crops, livestock, poultry, and fisheries due to climate change and post-harvest technologies and poor pest control management training.
- Persistent contraction of the fisheries sector worsens plight of fisher folks who are among the poorest in the country.

Region IV-B

MIMAROPA

Opportunities

- Increasing production in the aquaculture sector.
- Conduct of the annual MIMAROPA Festival, which showcases the region's best products and services, will strengthen partnership among the region's stakeholders.

Region IV-B

MIMAROPA

Challenges

- Need to sustain investments, infrastructure, and the aquaculture sector.
- Need for strict enforcement of proper farming and fishing practices in order to avoid resource degradation, water shortage, and marine resource depletion.
- Limited number of water transport as well as water transport service providers.

Region V

BICOL

Opportunities

- Strong global demand for fermented cacao beans gives the local farmers opportunities and incentives.
- High demand of about 18 metric tons (MT) per month for roasted pili nut confectioneries from the US, Japan, China, Canada and Hongkong.
- Bullish market for abaca fiber, which is shared by several grading/baling establishments, pulp mills, cordage manufacturers and fiber craft processors from all over the country.
- Ongoing agricultural programs of Albay Province: a) Farmers' Bounty Village: AFB Village; b) Development of Albay Family-Based Food Production Program (AFBFPP); c) Rural-Based Organization (RBO); d) Organic Agricultural Program; e) High Value Crops Development Program (HVCDP); and f) Fishery Production and Regulation.
- Opening of additional flights, as well as new air and sea routes are expected to generate influx of visitors to various destinations in the region. Air connectivity was developed between Clark to Masbate, Catanduanes and additional flights from Cebu to Legazpi were opened by Philippine Airlines.
- Development of tourism sites by the Bottom-Up Budgeting (BuB) program will create opportunities for the hosting communities.
- Implementation of the following agricultural programs in the Province of Sorsogon: a) Special Area for Agricultural Development (SAAD) Program; b) Extension Program for Agricultural and Fishery in National Development; c) continued implementation of the PAMANA Program; d) continued assistance in the implementation of the PRDP- Global Environment Facility (GEF) project for marine protected areas (MPAs) and small livelihood projects (SLPs) to 4 municipalities (Pilar, Magallanes, Matnog and Bulan); and e) implementation of 10 Micro Enterprises in the province under the Philippine Rural Development Project.

Region V

BICOL

Challenges

- Delays and complexities in the bidding processes of agricultural machineries/equipment.
- Agriculture losses estimated at ₱5.2 billion brought about by Typhoon Nina in Catanduanes, Albay and Camarines Sur.
- High costs of utilities that affect the trade and industry sectors.
- Lack of alternative livelihood for the displaced miners affected by the *Cease and Desist Order (CDO)* issued by the Department of Environment and Natural Resources - Mines and Geosciences Bureau (DENR-MGB).

Region VI

WESTERN VISAYAS

Opportunities

- Development and construction of new bridges, and opening of roadways (Aklan circumferential and by-pass roads) to link tourist destinations.
- Potential renewable energy and hydro-power projects in Nabas, Aklan and Madalag, Aklan, respectively.
- Increase in the volume of rice and corn production that can be attributed to sufficient irrigation, favourable weather conditions and higher yielding seed varieties.
- Turnover of a rice processing center (₱5.9 million) and a rice thresher (₱1.0 million) by the Department of Agriculture (DA) to benefit the farmers from Guimaras.
- Turn over of the new fishing port (₱40-million) by the Philippine Fisheries Development Authority (PFDA) to boost the fishery industry.
- Inauguration of Solong Bridge, reducing the travel time of commuters from 24 barangays in the Province.
- Revival of the Evelio B. Javier (EBJ) Airport that will further boost the Province's tourism industry.
- Enhancement of health and medical services through improved hospitals and more medical professionals.
- Enhancement of the National Greening Program (NGP) and development of a bamboo and mangrove plantation.
- Distribution of 507 land patents (385.2 hectares of agricultural land) to the
- Construction of Antique Regional Evacuation Center for disaster response.
- Implementation of a poverty monitoring scheme called Community-Based Monitoring System (CBMS) introduced by the Department of Interior and Local Government (DILG) to capture the multidimensional aspects of poverty in 9 municipalities in the Province.
- Adoption of the Electronic New Government Accounting System (eNGAS) by the Province of Antique to improve the financial and operational management of local offices.
- Increasing tourist arrivals (1.5 million) due to the enhanced provincial advertisements and promotions of history and culture.
- Construction of new malls and recreational buildings.
- Improved stadiums that will cater to more local, national or international sports events, which include the hosting of the Palarong Pambansa in the Western Visayas Regional State Colleges and the Universities Athletic Association (WVRAA) meet.
- Hosting of the 20th National Mango Congress in 2018 in time for the 25th Manggahan Festival.
- Provision of financial assistance to 119 public schools in 32 municipalities in the province which includes the following:
 - a) repair of school buildings (₱16.5 million);
 - b) construction of school buildings (₱3.9 million);
 - c) construction of school facilities (₱12.8) and;
 - d) procurement of school equipment (₱670,000).

Opportunities

residents of the Province of Guimaras.

- Improved fishery industry with the (a) construction of the Community Fish Landing Center (CFLC) in Brgy. Sebario, San Lorenzo, Guimaras; (b) acquisition of 250 units of 20-footer fiberglass fishing boats in 5 municipalities of the Province of Guimaras, which amounted to ₱3.0 million and ₱15.0 million, respectively; and (c) strict implementation and compliance on regulations against illegal fishing.
- Widening of Mantangingi Bridge in Nueva Valencia, Guimaras which also complements the widened Guimaras Circumferential Road, and facilitating smoother flow of traffic in the Province.
- Development of the ₱24.0 million Agriculture Machinery Testing and Evaluation Center (AMTEC) Visayas Satellite at Western Visayas Integrated Agricultural Research Center (WESVIARC), Jaro, Iloilo City, improving the quality of equipment for the farmers.
- Development of a tissue culture technology by the Aquaculture Department of the Southeast Asian Fisheries Development Center (SEAFDEC) in Tigbauan, Iloilo that is seen to boost seaweeds production.
- Rehabilitation of the degraded forestland within Mount Apitong in Concepcion, Iloilo by the Palm Concepcion Power Corporation (PCPC) and the University of the Philippines-Los Baños Foundation Inc. (UPLBFI), to improve its forest cover, restore the ecological balance, enhance biodiversity and water yield capacity of the watersheds of the mountain.
- Construction of additional buildings at Mosqueda Campus, Guimaras State College (GSC), wherein about 200 tertiary students will be given a conducive learning environment.
- Construction of 46 school-based teen centers that will serve as a venue where students could spend their vacant time productively and leisurely.
- Designation of the Province of Iloilo as pilot area in Western Visayas for the JobStart program of the Department of Labor and Employment (DOLE) and Asian Development Bank (ADB) which aims to shorten the youth's school to work transition by enhancing the knowledge and skills they acquired in formal education or technical training in order for them to become more responsive to the demands of the labor market.
- Provision of ₱1.4-million worth of ballistic equipment for Special Weapons and Tactics (SWAT) of the Iloilo Provincial Police Office to better respond to serious security risks (e.g., kidnapping or bomb threats).
- Declaration of the Province of Iloilo as official merchant of their Electronic Payment Portal (ePP) by the Land Bank of the Philippines. ePP is an alternative payment channel that allows clients to pay for products and services offered by government and private institutions via the internet.
- Allocation of ₱1.4 billion for the construction of the North Negros alternative road and the lengthening and widening of the Bacolod-Silay Airport Access Road.
- Grant of employment opportunities for the Province of Negros Occidental thru a signed a Memorandum of Understanding (MOU) with Northern Territory of Australia.
- Possible creation of the Panay-Guimaras-Negros Bridge, to facilitate inter-island business and boost the local economy.
- Creation of the North Negros BioPower, a biomass power plant project in Manapla, Negros Occidental, which aims to generate

Opportunities

- Generation of at least 3,500 jobs due to the opening of ₱2.2 billion three-level Festive Walk Mall in Iloilo Business Park in April 2018 by Megaworld.
 - On-going pre-feasibility study on the construction of the Panay-Guimaras-Negros bridge by officials from the Department of Public Works and Highways (DPWH) and members of China Communications Construction Company (CCCC) Highway Consultants Co. Ltd.
 - Completion of the ₱40.2 million Esplanade 1 Extension and Nabitasan-San Rafael Bypass Road to provide pedestrians a better pathway from the foot of Iloilo Bridge to the foot of Nabitasan Bridge.
 - Completion of the 787-lineal meter Nabitasan-San Rafael Bypass Road which is expected to lessen the travel time from Iloilo City downtown area to Iloilo-Jaro Diversion Road.
 - Installation of portable water systems in remote and far-flung barangays at a total project cost of ₱30.7 million.
 - Establishment of the ₱12.9 million rainwater harvesting facilities in 25 municipalities near evacuation centers. All these have a total capacity of 17,000 liters of water per system-load, and can provide the water requirements of 100 evacuees for 15 days.
 - Construction of 30 small dams by the Federation of Negros Occidental Small Water Impounding System Association (FNOSWISA) for farmers of Negros Occidental, as part of the mitigation measures against climate change and further boost rice production.
 - The Victorias Milling Company Biomass Cogeneration Project, a biomass plant in Victorias City, Negros Occidental, is expected to generate 64-megawatts of electricity
- 185 million kWh of electricity per annum, primarily from the waste produced during the harvesting and processing of sugar cane, supplemented by herbaceous and woody energy plants.
- The Bacolod-Silay Economic Zone and Technopark in Bagtic, Silay City will become the first mixed-use zone and the 20th economic zone under PEZA featuring a “dual-technology” scheme that will let the employees work in the area while acquiring more skills through a technical school in the ecozone.
 - The DA-Western Visayas will build the first solar-powered irrigation system powered through a renewable energy where the Ilog-Hilabangan River runs, in Hinigaran Municipality, Negros Occidental.
 - Construction of a US\$300-million ship recycling facility by the Tsuneishi Heavy Industries, that is expected to create jobs for residents of Hinobaan, Negros Occidental.
 - Construction of a bridge that will link barangays in Himamaylan City, Negros Occidental, spearheaded by the Philippine Army’s 542nd Engineering Construction Battalion.
 - The Department of Science and Technology-Negros Occidental will start their initial site assessment and consultant’s evaluation for food safety standards and practices of 10 food manufacturing businesses in the Province to recommend the areas of manufacturing that need to be improved, or the equipment or machinery to make the enterprise safer and more productive.
 - Construction of a ₱600 million Magic Island theme park at Silay City, Negros Occidental to boost the tourism industry in the Province.
 - Earmarked ₱30 million budget from the Department of Transportation and

Opportunities

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| <p>ready to be exported to the grid and used for its milling operation.</p> <ul style="list-style-type: none"> • Leasing a portion of the Negros First Ranch, Brgy. Sta. Rosa, Murcia to Tenshinzan farm, a private corporation based in Japan, for a dairy development project. • Development and conservation of the Sum-Ag River in Bacolod City. • Launch of the “Up-Valuing Project” in Brgy. Bulata, Cauayan, to provide technical and financial support to Gemora Chua Agrarian Reform Cooperative for the production of muscovado sugar. • Launch of farm business schools in the Region to provide trainings for farmers in agri-business and trade. • The Project Uitzending Managers (PUM) of the Netherlands will administer assistance to the agriculture sector and micro, small and medium entrepreneurs. • Development of the bamboo industry in the province of Negros Occidental due to the town’s abundance and existence of natural bamboo forests. • Construction of a ₱3.5 million cassava-processing center in Brgy. Tabunan, Bago City, to aid production of cassava crops. • Establishment of a ₱4.0 million Muy Bien Plant, manufacturer of the Iida Farms Turmeric Products in Brgy. Poblacion, Sagay City, to encourage planting of alternative root crops such as ginger, turmeric, lemon grass and calamansi. • Opening of a laboratory for breeding bio-controllers for pests infesting the agricultural crops in Negros Occidental. • Grant of ₱6.3 million worth of projects to seven hog raisers associations in the | <p>Communication (DOTC) for a concrete runway and a passenger terminal of the Kabanklan City airport.</p> <ul style="list-style-type: none"> • Implementation of the Bacolod-Negros Economic Highway by DPWH to help decongest the diversion road in Bacolod City. • Creation of the ₱126.0 million Kabankalan-DILG Presidential Bridge, to connect Brgy. Camugao to the nearby barangays in Kabankalan City. • Generation of additional jobs by One Asia Foundation, a Japanese investor of a caregiving center at Mambukal Resort in Murcia, Negros Occidental. • Purchase of a new ₱30.0 million sanitary landfill in Bacolod City, an approved budget from the Annual Investment Plan. • Commitment from the Hotel and Restaurant Association of Negros Occidental (HRANO) to conduct more effective training programs, skills training and consumer education to boost food tourism and increase tourism opportunities in the Province. • Awarding of the Taklong Island National Marine Reserve (TINMR), ‘Para el MAR’ which means ‘for the sea’, for being the most outstanding National Integrated Protected Area System (NIPAS) Marine Protected Area (MPA) in the Philippines. • Production of charcoal briquettes, using rice as the main ingredient of the charcoal and then sold in the market for a lower price. • Purchase of water buffalo breeds in the Northern Territory of Australia to improve meat and milk production of the local carabao. |
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Opportunities

Province of Negros Occidental, in support of food security, increase the income of hog raisers and farmers, and promote the swine industry.

Region VI

WESTERN VISAYAS

Challenges

- Presence of insurgencies in some parts of the region creates concern on the safety of civilians.
- Degradation of water quality, siltation of marine environment, damage of coral areas, presence of toxic contaminants in the water, displacement of local residents and unsafe working conditions of workers, among others, from mining activities.
- Depletion of resources intended to provide support for food security and to maintain the ecological balance due to exploitation, settlements intrusion, unsound management practice, and premature conversion of land for urban use.
- Delay in the construction of ₱11.2 billion Jalaur River Multipurpose Project (JRMP) Stage II in Calinog, Iloilo, which is aimed at using water from the Jalaur River for power generation and irrigation. It involves the construction of three dams, a 6.6 megawatt hydro power plant and an 81 kilometer long canal.
- Shortfall in rice production target by the Province of Iloilo, with harvest reaching only 906,000 MT in 2017 against 1 million MT target for the year.
- Temporary suspension or moratorium on issuance of new quarry permits within the province's five major river systems which include the Aganan, Jalaur, Sibalom, Suage and Uliar river systems. The suspension by the Provincial government was due to alarm over the ill effects of excessive quarrying on rivers to existing public infrastructures such as bridges and dams.
- Vulnerability of ten (10) areas in Guimaras to sinkholes, which weaken the Island's foundation. A strong earthquake could cause soil liquefaction.
- Indiscriminate diggings for potable water due to the dry spell could aggravate the formation of sinkholes in Guimaras.
- Presence of tectonic faults situated at Tablas, Pandanan, Negros Trench, West Panay, and Central Negros Fault System, increase the vulnerability of the Province of Capiz to ground shaking.
- Damage in crops due to severe drought caused by the El Niño phenomenon, which affected 1,000 hectares of rain-fed lands in four Iloilo towns.
- The Bacolod City government facilitated a consultation dialogue with juvenile justice partners or stakeholders involved in handling Children in Conflict with the Law and Children at Risk to address the problem of street children and rugby-sniffing children in the City.
- The Bacolod City government requested the DPWH to look into the cause of flooding in several areas in Bacolod City, like barangays Pahanocoy and Sum-ag, and address the problem of clogged drainages.
- Revoked creation of the Negros Island Region, reverting Negros Occidental to Western Visayas and Negros Oriental to Central Visayas.
- Weak sugar industry as prices continued to decline, thus, limiting opportunities for farmers.

Challenges

- Crop production losses which amounted to ₱24.5 million in the Province of Negros Occidental due to weather disturbances.
- Occurrence of plant diseases and pest infestations in some areas of the Province of Negros Occidental.
- Delinquent stall holders, kiosks and occupants in the major markets of Bacolod City which affect SMEs and the City's revenues.
- Incidents of successive fowl and poultry deaths due to bird flu cases.
- Marine security threat, environmental challenges and terrorist spillovers since the southern part of Negros is adjacent to Mindanao and the Sulu Sea.

Region VII

CENTRAL VISAYAS

Opportunities

- Awarding of ₱66.0 million agricultural program under the Special Area for Agricultural Development (SAAD) that allows beneficiaries to use funds for corn and mango productions, cattle fattening, livestock raising and other livelihood projects.
- Construction of the ₱975.0 million Tanjay-Bais River Irrigation Project.
- Construction of the ₱490.0 million sugar mill plant of HDJ Bayawan Agri-venture Corporation (HBAC) which will reduce imported fuel usage and cost of transporting sugarcane among farmers.
- Urban farming project implementation in Dumaguete City in lieu of the diminishing land area for agriculture in the City.
- Turn over of ₱108.0 million of Dauin small reservoir irrigation system (SRIS) in Dauin, Negros Oriental, programmed to irrigate 1,000 hectares of agricultural lands.
- Distribution of 10 fiberglass bancas to poorest of the poor fisher folks in coastal barangays in Dumaguete City.
- Provision of post-harvest equipment and machineries to benefit farmers.
- Development of power generating and geothermal projects for sustainable electricity in Negros Oriental (Mabinay Solar Power Project; Montesol Wind Power Project; Monte Solar Energy, Incorporated; Dauin Development Corporation; Amlan Hydropower Plant A, B; Ilog Hydroelectric Power Plant; and Montesol II Solar PV Power Project).
- Opening of the Mactan Cebu International Airport (MCIA) Terminal 2 and Panglao International Airport in Bohol by Q2 2018 and Q3 2018, respectively and developments in Dumaguete City Airport and Siquijor Airport.
- Launch of the first seaplane services in Cebu City which will allow local and foreign tourists hassle-free inter-island trips for business or leisure.
- Construction of a Halal plant by Cebu-based food manufacturer Virginia Foods, Incorporated.
- Launch of the “Go Lokal” project including micro, small and medium enterprises (MSMEs) in Central Visayas to provide opportunities for entrepreneurs to access the local consumer market.
- Approved ₱12.5 billion cement production project of South Western Cement Corp (SWCC) in Cebu will provide employment opportunities.
- Construction/rehabilitation and improvement of various roads in Negros Oriental.
- Construction and improvement of municipal and city halls, multipurpose buildings and function halls, stadiums, hotels and recreational areas.
- Construction of water supply systems in various municipalities in Negros Oriental.
- Implementation of the ₱78.5 million Kanlaon-Inland Resort and Eco-tourism (KIRAET) project at Canlaon City, Negros Oriental

Region VII

CENTRAL VISAYAS

Challenges

- Challenges confronted by the seaweed industry: (1) limited access to credit and market; (2) limited source of alternative income from seaweed, dependent mostly on selling raw dried seaweed; (3) research and development on seaweed applications; (4) promotion of available seaweed products; and (5) lack of sustainable and climate-proof agri-fishery facilities in the country.
- Weather disturbances, calamities, insufficient irrigation and pests plague may cause potential damage to agricultural production.
- Counterfeiting of branded goods such as furniture, jewelry, fashion accessories and other export items that are supposed to exude Filipino ingenuity and uniqueness are destroying the creative industry.

Region VIII

EASTERN VISAYAS

Opportunities

- Enactment of Republic Act No. 10861, which aims to establish provincial fisheries and aquatic resources training, development, and product centers across Eastern Visayas.
- Implementation of DA’s Special Area for Agricultural Development (SAAD) Project, which aims to increase food production and reduce poverty in the top ten poorest provinces in the country, Samar Island provinces included.
- The ₱793 million-rehabilitation from Typhoon Yolanda projects, of which ₱613 million was allocated to boost agricultural production.
- Establishment and expansion of malls to facilitate entry of new businesses and creation of jobs.
- Launch of power development projects in the region (Sulu Electrical Power and Lights (Phils) Incorporated; E&P Green Energy, Incorporated; and Green Core Geothermal Incorporated) is expected to boost the region’s industry sector and provide employment opportunities.
- Proposed Leyte Ecological Industrial Zone, which will host copper and copper wire rod producers, is seen to expand the industry sector of the region.

Region VIII

EASTERN VISAYAS

Challenges

- Need to build up socio-economic resiliency against the impact of natural and man-made disasters.
- Need to optimize the use of land and water resources by developing key production areas for economies of scale, including idle lands for possible forage/feedstuff development, and increase investments in irrigation development, especially in the Samar Island provinces.
- Low absorptive capacity of regional line agencies for domestic and external funds to implement programs and projects has constrained sustainable economic growth of the region.
- Inadequate and poor infrastructure support facilities and utilities in Eastern Visayas may affect investors' interest in the region.
- Low adoption and application of advance technology in the region to improve the productive sectors such as agri-fisheries, forestry, food processing, and MSMEs sectors.
- Need for additional power suppliers to increase competition, reduce electricity rates, and extend scope of electricity in missionary areas in the region.
- Need to modernize the policy and regulatory frameworks in the ICT sector to address major barriers and perennial issues that continue to affect the development of ICT in Eastern Visayas.
- Issue on jobs and skills mismatch which could be addressed through human resource development and creating a competitive and industry-responsive labor supply.

Region IX

ZAMBOANGA PENINSULA

Opportunities

- Additional US\$450 million funding support under the infrastructure development component of the PRDP, which would include a total of 10 farm-to-market road projects worth ₱1.82 billion.
- Proposed projects for inclusion in FY 2018 Annual Investment Program and Budget of DPWH, to wit:
 - Gravel to concrete Naga-Tampilisan Road (₱450 million);
 - Gravel to concrete Sindangan-Bayog Road (ZDN side)(₱525 million);
 - Gravel to concrete Eastern Bobongan-Sominot-Midsalip-Dumingag Road (₱350 million);
 - Widening of the Kabasalan-Naga-Ipil-R.T. Lim Surabaya section to 4 lanes (₱600 million);
 - Widening of the Ipil-Titay Road to 4 lanes (₱300 million);
 - Widening of the Liloy-Tampilisan-boundary Sibugay Road to 4 lanes (₱450 million);
 - Widening of the Pagadian-Buug Road, Dumalinao-Diplo section to 4 lanes (₱300 million).
- Proposed establishment of a triple “A” poultry dressing plant to be located at the 100-hectare ZamboEcozone Halal Hub will enable the region to compete with neighboring countries in terms of quality and standards of poultry products.
- The establishment of Bakas Alliance of Municipalities. It was intended to spearhead the development of the Zamboanga Economic Corridor.
- Implementation of the Rural Agro-Enterprise Partnership for Inclusive Development and
- Proposed transfer of Zamboanga City Jail to Barangay Talisayan, Zamboanga City to improve the jail condition as well as increase its capacity which is now way above the ideal number of inmates.
- In the present positioning of Zamboanga Peninsula as the Agri-Fishery Corridor of the Philippines, the Bureau of Fisheries and Aquatic Resources (BFAR), under its Targeted Actions to Reduce Poverty and Generate Economic Transformation (TARGET) Program targets 10 percent of the poor fisherfolk population and seeks to reduce poverty through:
 - a. Provision of livelihood development and support program – promotion of ecologically sound, economically viable and socially equitable interventions;
 - b. Establishment of Community Fish Landing Centers (CFLCs) – an economic growth center for marketing and promotion of a “culturally distinct” value-added product of the community;
 - c. Municipal Fisherfolk Registration System (FishR); and,
 - d. Municipal Fishing Vessel and Gear registration (BoatR).

Opportunities

Growth (RAPID Growth) Project which aims to promote successful business models associating farmers and micro, small and medium agribusiness in four of the seven priority value chains selected by DTI, (i.e. cocoa, coffee, processed fruits and nuts, and coconut).

Region IX

ZAMBOANGA PENINSULA

Challenges

- Abandoned, underdeveloped and underutilized fishponds in the region. Of the total 11,779.36 hectares of fishpond, around 1,170.31 hectares or 9.9% are underdeveloped or underutilized and 1,203.72 hectares or 10.2% are abandoned.
- Unstable and volatile rubber prices affect production in the industry and its farmers as well.
- Infestation of coccolisap in an estimated 430,000 of the 2.9 million coconut covering 64 barangays in Zamboanga City. Without appropriate interventions, the local industry would lose an estimated income amounting to ₱897.125 million affecting some 10,097 farmers.
- Systems loss exceeding the 13% limit set by the Energy Regulatory Commission. This is notwithstanding the generally sufficient power supply in the region and reliability indices of electric cooperatives regarding unplanned power interruptions are still within the prescribed standards of NEA.
- Delays in the departure of shipping vessels from Zamboanga City due to the following:
 1. Aleson Shipping Lines raised the problem regarding the immigration process in the Zamboanga Sea Port, which causes a three to four-hour delay in the departure of its vessels to Sandakan.
 2. Lack of immigration officers checking the passports of passengers.
 3. The Overseas Passenger Assistance Center (OPAC) established by the Department of Justice- Inter-Agency Council Against Trafficking (IACAT) requires passengers to pass by center for profiling before proceeding to the immigration officer for passport stamping, a procedure unique to Zamboanga Port.

Region X

NORTHERN MINDANAO

Opportunities

- Exemption of farmers who own eight hectares of land or below from paying irrigation service fees, as stipulated by the Republic Act 10969 or the Free Irrigation Service Act. This will support and improve irrigation facilities and improve productivity.
- Development of post-harvest facilities and construction and rehabilitation of farm-to-market roads and irrigation facilities to improve production in the region.
- Establishment of Farm Business School (FBS) by the DA in partnership with the LGUs in the region, which aims to build farmer capacity in entrepreneurial and management skills.
- Opening of a credit facility from Land Bank of the Philippines (LBP), “Sikat Saka program”, will benefit small palay farmers in the region.
- Expansion in corn production due to an increased demand for yellow corn and specialized corn varieties, such as sweet corn and popcorn.
- Favorable climate suitable for high-milk producing temperate breeds, low disease incidence, and rich soil to support feed requirements gives Bukidnon the potential to become the dairy capital of the country.
- Development of the cattle industry with DA’s priorities to address the livestock program. Priority areas include conservation and improvement of genetic materials, sustenance of disease-free environment to ensure food security, promotion of technologies that can provide value-added to commodities and address climate change, and in establishing and upgrading of facilities
- Sustained government programs and support provided to farmers in the region such as animal dispersal, artificial insemination, massive vaccination and deworming aimed at encouraging more farmers to engage in swine growing.
- Setting-up of quarantine areas at the borders of major swine-producing provinces such as Misamis Oriental and Bukidnon have helped reduce the threat of diseases affecting swine.
- Sustained support provided by various government agencies and LGUs in the fingerling re-stocking of rivers and lakes will likely increase inland fish production.
- Intensified campaign and coordination with the LGUs against illegal fishing activities, and destructive fishing methods along with monitoring, control, and surveillance activities point toward improving the performance of the fish industry.
- Disaster risk reduction and mitigating projects all throughout the region will likely increase both public and private construction projects. The project, UN-Habitat’s Building Climate Resiliency through Urban Plans and Designs (BCRUPD) with the City of Cagayan de Oro as one of its partners, is expected to improve the capacity of the LGU to develop resilient urban plans and designs and facilitate urban adaptation projects to access climate financing and other modalities of funding.
- Decongestion plan of Cagayan de Oro City will likely disperse construction projects in the nearby municipalities and provinces.

Opportunities

- to support development of stock.
- Opening of the 12.77 kilometers Cagayan de Oro Coastal Road which serves as a bypass road connecting six (6) barangays of Cagayan de Oro City and two (2) barangays in Opol, Misamis Oriental, reducing travel time and supports efficient trade, commerce and employment.
- Proliferation and expansion of commercial centers and establishments (e.g. malls, superstores, hotels, restaurants and recreation centers) in the region will increase employment opportunities.

Region X

NORTHERN MINDANAO

Challenges

- Weather disturbances, low adoption of modern technologies, infestation of pests and production-related costs, slow down production in various industries.
- Imposition of Martial Law in Mindanao and the region's proximity to Marawi and other areas plagued by insurgent groups may discourage investors from expanding in the area and may hamper construction growth in the region.
- Importation of cattle breeds from New Zealand to Mindanao via Bulacan route poses serious bio-security concerns and unnecessary risk to the region's cattle industry.
- Need for an effective land-use planning and urban management to create sustainable housing communities is increasingly felt due to fast rate of urbanization and climate change concerns.
- Continuing increase of prices of land and construction materials would result in slow return of investment and marginal profitability.
- Threats in the peace and order situation in Mindanao will have negative effects on the labor situation of the region.

Region XI

DAVAO

Opportunities

- Agricultural modernization, increased public spending on big-ticket infrastructure projects and ongoing projects in the transportation sector will contribute to achieving development targets on expanding allied industries (construction and manufacturing) internal circulation, mobility and external linkages in Davao Region.
- Real estate investments from the private sector remains highly favorable as these are expected to result in more low-cost housing projects, and mixed-use commercial townships.
- Expected higher employment rate in 2018 as more people gain quality jobs due to the massive infrastructure spending program of the national government and a healthy consumption base supporting private sector growth.

Region XI

DAVAO

Challenges

- Need to intensify efforts to improve the agriculture sector for more opportunities in creating value-added agricultural products.
- Presence of New People's Army (NPA) in most of the provinces in the region that will discourage the entry of investors and tourists.

Region XII

SOCCKSARGEN

Opportunities

- Establishment of the early warning device in North Cotabato (electric siren, LED beacon, controller box, and solar panel) to minimize the effect of flooding in communities along flood-prone rivers.
- Development of the Halal Industry towards world recognition and unifying Global Halal Standards is strengthened by DOST XII.
- Road-widening, improvement of flood control projects that would entail the availability of jobs for professionals, workers and laborers in the construction subsector, will be accelerated in the region.
- Continuous investments of nationally recognized fast food franchises and malls of multinational-owned conglomerates in different urban areas in the region will generate employment.

Region XII

SOCCKSARGEN

Challenges

- Expected torrential rains could trigger flashfloods and landslides and affect livelihood and economic activities.

Region XIII

CARAGA

Opportunities

- Grant of a ₱2.3-billion project by the International Fund for Agricultural Development (IFAD), to propel agriculture-based processing enterprises and entrepreneurial communities.
- Endorsement of the Rural Agro-Enterprise Partnership and Inclusive Development (RAPID) Growth Project spearheaded by DTI and hosting of exhibits on diverse cacao products to promote and to advance the cacao industry in the region.
- Endorsement of the proposed projects of the region under the Convergence Program under the Roads Leveraging Linkages of Industry and Trade (ROLL-IT) by the RDC, to open trade and industry opportunities.
- On-going construction of the remaining strategic roads and infrastructure investments in the Province of Dinagat Islands will boost tourism and business opportunities in the province.
- Construction of the Philippine Army Camp in Tago, Surigao del Sur to eliminate presence of insurgents in the province.

Region XIII

CARAGA

Challenges

- Insufficient supply of water especially during calamities, which hampers economic activities and adversely affects the health and sanitation in the region.

ARMM

AUTONOMOUS REGION IN MUSLIM MINDANAO

Opportunities

- Strengthening the six-model industry clusters composed of MSMEs, to drive economic growth through the Japan International Cooperation Agency (JICA) and the DTI – Autonomous Region in Muslim Mindanao (ARMM). JICA and DTI have identified rubber, seaweeds, palm oil, abaca, coffee, and coconut industry clusters in conflict areas as model industries where the region can succeed through investments in technology transfer.
- Declaration of the Polloc Freeport and Ecozone in Parang, Maguindanao as ‘halal hub’, the first genuine halal ecozone in the country. ARMM government is continually working to open the possibilities to the halal market in the region as well as in the country that serves as a gateway to the multi-trillion dollar halal industry.
- Proposed signing by the regional government (through PEZA) and the United States Halal Chamber of Commerce of an MOU to formalize cooperation in the access of halal products from Mindanao to the American market.
- Promotion of tourism through the regional tourism roadmap. Foreign tourists mostly from Malaysia are doing the annual visit to Sheik Karim al Makdum Mosque, the first and oldest mosque in the Philippines built in 1380. Domestic tourists, most are from Luzon, are also lured by the beautiful and virgin beaches of the province.
- Approval of ₱3.2 billion worth of investments by the Regional Board of Investments - Autonomous Region in Muslim Mindanao (RBOI-ARMM):
 - ₱3 billion telecommunications project, Tier One Communications International Inc., will provide cellular services, broadband wireless internet, and public WiFi
 - ₱129 million port-related services project, Bangsamoro Terminal Services Inc. (BTSI), will provide efficient logistics support to the thriving businesses in Cotabato City and nearby municipalities in Maguindanao
 - ₱ 40 million water treatment plant and bulk water supply, Mactan Rock TGV Builders Corporation
 - ₱33.5 million General cargo vessel with a capacity of 494 metric tons (MT), J. Sayang Shipping Lines, Inc., will provide shipping services to traders in Tawi-Tawi
 - ₱32 million aqua-marine cold storage and fish processing facility, Abing Seafoods and Cold Storage (ASCS)
- Re-opening of cross-border deal with some members of the Association of Southeast Asian Nations (ASEAN). This development was in response to a call of Mindanao Development Authority (MinDA) for cross-border trade with Sabah, Malaysia.
- Construction of Bangsamoro Road Network Development Project to be funded by JICA. The said road network covers 200 kilometers of road consisting of 11 access roads and bridges connecting ARMM and other regions in Mindanao.

AUTONOMOUS REGION IN MUSLIM MINDANAO

Challenges

- Sustainability in generating agricultural-related investments due to issues on land documentation.
- Concerns on peace and order situation (presence of pirates in Tawi-tawi, Abu Sayaff in Sulu and Basilan, Maute Group in Lanao del Sur and Bangsamoro Islamic Freedom Fighters in Maguindanao) have dragged down the image of ARMM and reinforced negative perceptions among investors.
- Need for additional access and transport infrastructure to allow far-flung areas to be efficiently connected to the regional trade centers.

Conclusion

Going forward, weather-related disturbances, as well as natural and man-made calamities will continue to pose risks to regional development, therefore highlighting the need to build up socio-economic resilience and disaster preparedness of local governments and communities. Apart from the adverse effects of climate change on the livelihood and income of farmers and fisherfolk, inadequate irrigation facilities, pest infestation, and outbreak of plant and animal diseases will remain as major challenges in areas heavily dependent on agriculture and fishery sectors. In order to counter the possible impact of these conditions on food production and prices, and to boost productivity and income of rural workers, several measures and collaborative efforts are being undertaken by the national and local governments, non-government organizations, the private sector, and stakeholders. These include provision of sufficient water supply; development of climate-resilient crop varieties, adaptive technologies, and agri-fishery facilities; distribution of post-harvest equipment, machineries, hybrid seeds, and fertilizers; provision of accessible and affordable credit window for farmers and fisherfolk; establishment of agricultural research laboratories and climate-smart farm business schools; and setting up of community fish landing and agricultural trading centers. In addition, construction of strategically located farm-to-market roads will not only minimize transportation cost for farmers but will also ensure the quality of farm produce through faster and favorable transport conditions.

Moreover, in order to enhance investment opportunities throughout the country, there continues to be a need for reliable and affordable power supply; improved interconnectivity between rural/far-flung areas and the regions' major economic centers through adequate infrastructure and efficient transport systems; and lasting peace and order situation. In addition, efforts to improve ease of doing business at the local level are expected to attract more inward investments and bring about enterprise development among the locals. Establishment of retail trade and commercial establishments present viable employment opportunities and other positive externalities in the regions.

In most regions, tourism promotion and development continue to play a vital role in providing income and job opportunities in the rural areas. Interventions such as upgrading of facilities and enhancing accessibility of tourism destinations by opening new and improving existing air, land and sea routes remain crucial. Lastly, enhancing mobility of goods and services through timely implementation of infrastructure and road projects as well as construction and rehabilitation of airports and sea ports are also anticipated to further boost competitiveness and productivity. All of these, in turn, are expected to lead to sustainable and far-reaching development in the regions. ■

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1. Gross Regional Domestic Product (GRDP)

at constant 2000 prices

	REGION	Levels (In Thousand Pesos)					Growth rate				
		2013	2014	2015	2016	2017	2013	2014	2015	2016	2017
	PHILIPPINES	6,750,631,383	7,165,477,851	7,600,175,069	8,122,741,433	8,665,707,506	7.1	6.1	6.1	6.9	6.7
1	NCR	2,455,228,444	2,597,052,167	2,770,552,677	2,976,234,624	3,158,081,656	9.1	5.8	6.7	7.4	6.1
2	CAR	124,630,544	128,688,178	133,848,201	136,873,913	153,411,322	5.4	3.3	4.0	2.3	12.1
3	Ilocos Region (I)	211,361,389	224,979,174	237,178,755	257,277,270	272,257,487	7.0	6.4	5.4	8.5	5.8
4	Cagayan Valley (II)	120,474,018	129,114,289	134,444,616	139,548,688	149,578,296	6.6	7.2	4.1	3.8	7.2
5	Central Luzon (III)	612,282,603	668,918,294	706,343,196	773,108,325	844,709,530	4.5	9.2	5.6	9.5	9.3
6	CALABARZON (IV-A)	1,170,574,623	1,230,372,013	1,302,297,272	1,364,736,594	1,456,088,132	6.6	5.1	5.8	4.8	6.7
7	MIMAROPA (IV-B)	110,673,201	119,911,229	122,258,656	125,432,256	133,228,208	1.3	8.3	2.0	2.6	6.2
8	Bicol Region (V)	136,852,119	142,760,974	155,449,066	164,065,917	172,358,884	8.2	4.3	8.9	5.5	5.1
9	Western Visayas (VI)	266,982,502	280,852,008	305,503,332	323,535,392	350,821,902	3.4	5.2	8.8	5.9	8.4
10	Central Visayas (VII)	427,258,117	460,280,508	482,898,676	524,597,384	551,179,952	7.4	7.7	4.9	8.6	5.1
11	Eastern Visayas (VIII)	150,072,628	146,476,790	153,224,685	171,610,264	174,669,515	4.6	-2.4	4.6	12.0	1.8
12	Zamboanga Peninsula (IX)	137,214,139	146,320,802	157,640,786	164,866,496	168,702,094	4.2	6.6	7.7	4.6	2.3
13	Northern Mindanao (X)	250,536,070	268,424,368	283,769,262	304,952,799	323,009,662	5.4	7.1	5.7	7.5	5.9
14	Davao Region (XI)	257,385,537	281,348,316	304,412,137	333,405,134	369,797,076	6.7	9.3	8.2	9.5	10.9
15	SOCCKSARGEN (XII)	185,305,980	196,770,182	203,183,377	213,182,370	230,598,148	8.4	6.2	3.3	4.9	8.2
16	Caraga	84,475,406	92,419,812	96,587,795	98,511,669	102,701,036	8.2	9.4	4.5	2.0	4.3
17	ARMM	49,324,066	50,788,748	50,582,581	50,802,338	54,514,604	3.8	3.0	-0.4	0.4	7.3

Source: Philippine Statistics Authority (PSA)

2. Palay Production

*for periods indicated
in million metric tons*

	REGION	2013	2014	2015	2016	2017
	PHILIPPINES	18.44	18.97	18.15	17.63	19.28
1	CAR	0.46	0.45	0.40	0.38	0.45
2	Ilocos Region (I)	1.75	1.80	1.78	1.81	1.87
3	Cagayan Valley (II)	2.42	2.51	2.49	2.33	2.66
4	Central Luzon (III)	3.41	3.77	3.30	3.34	3.63
5	CALABARZON (IV-A)	0.41	0.41	0.39	0.41	0.41
6	MIMAROPA (IV-B)	1.03	1.08	1.08	1.08	1.16
7	Bicol Region (V)	1.24	1.26	1.26	1.28	1.34
8	Western Visayas (VI)	2.09	2.05	2.06	1.90	2.23
9	Central Visayas (VII)	0.35	0.34	0.34	0.23	0.33
10	Eastern Visayas (VIII)	0.99	0.98	0.96	0.95	0.95
11	Zamboanga Peninsula (IX)	0.64	0.66	0.66	0.58	0.70
12	Northern Mindanao (X)	0.67	0.71	0.73	0.71	0.75
13	Davao Region (XI)	0.42	0.45	0.44	0.42	0.43
14	SOCCSKSARGEN (XII)	1.35	1.36	1.29	1.20	1.32
15	Caraga	0.58	0.57	0.48	0.46	0.48
16	ARMM	0.61	0.56	0.49	0.54	0.58

Source: PSA

3. Corn Production

*for periods indicated
in million metric tons*

	REGION	2013	2014	2015	2016	2017
	PHILIPPINES	7.38	7.77	7.52	7.22	7.91
1	CAR	0.24	0.24	0.24	0.20	0.24
2	Ilocos Region (I)	0.45	0.48	0.49	0.51	0.56
3	Cagayan Valley (II)	1.71	1.86	1.80	1.68	1.84
4	Central Luzon (III)	0.23	0.24	0.27	0.26	0.26
5	CALABARZON (IV-A)	0.08	0.07	0.06	0.10	0.09
6	MIMAROPA (IV-B)	0.10	0.11	0.13	0.11	0.12
7	Bicol Region (V)	0.26	0.29	0.24	0.26	0.29
8	Western Visayas (VI)	0.35	0.37	0.35	0.28	0.30
9	Central Visayas (VII)	0.17	0.16	0.15	0.16	0.15
10	Eastern Visayas (VIII)	0.09	0.09	0.09	0.08	0.07
11	Zamboanga Peninsula (IX)	0.21	0.22	0.22	0.26	0.23
12	Northern Mindanao (X)	1.19	1.20	1.22	1.22	1.29
13	Davao Region (XI)	0.23	0.28	0.22	0.22	0.26
14	SOCCSKSARGEN (XII)	1.31	1.34	1.24	1.14	1.26
15	Caraga	0.11	0.13	0.12	0.14	0.12
16	ARMM	0.67	0.70	0.67	0.59	0.84

Source: PSA

4. Cattle Production

*for periods indicated
in thousand metric tons in liveweight*

	REGION	2013	2014	2015	2016	2017
	PHILIPPINES	258.45	261.319	266.90	270.42	266.30
1	CAR	4.66	4.57	4.43	4.33	4.16
2	Ilocos Region (I)	27.82	27.70	28.35	27.77	27.38
3	Cagayan Valley (II)	14.34	14.54	14.11	15.11	14.33
4	Central Luzon (III)	18.94	18.41	18.31	18.79	16.20
5	CALABARZON (IV-A)	24.79	26.15	28.05	28.66	28.13
6	MIMAROPA (IV-B)	11.15	11.65	12.27	12.47	12.80
7	Bicol Region (V)	14.87	15.64	16.46	16.97	17.55
8	Western Visayas (VI)	23.12	24.17	24.24	24.71	25.57
9	Central Visayas (VII)	24.53	24.47	24.06	24.78	25.23
10	Eastern Visayas (VIII)	2.48	2.29	2.25	2.31	2.18
11	Zamboanga Peninsula (IX)	12.68	12.24	12.12	11.22	11.24
12	Northern Mindanao (X)	36.68	37.85	39.10	39.41	37.54
13	Davao Region (XI)	11.85	12.45	12.75	12.83	13.31
14	SOCCSKSARGEN (XII)	18.60	17.96	19.24	18.91	18.66
15	Caraga	1.51	1.54	1.42	1.68	1.57
16	ARMM	10.44	9.70	9.75	10.48	10.47

Source: PSA

5. Chicken Production

*for periods indicated
in thousand metric tons in liveweight*

	REGION	2013	2014	2015	2016	2017
	PHILIPPINES	1,555.07	1,571.76	1,660.81	1,674.51	1,745.89
1	CAR	7.36	7.18	7.74	7.60	7.92
2	Ilocos Region (I)	83.26	82.46	82.83	78.76	78.08
3	Cagayan Valley (II)	55.53	57.70	59.32	60.64	58.78
4	Central Luzon (III)	549.85	570.13	609.51	590.99	624.69
5	CALABARZON (IV-A)	302.57	298.54	321.67	328.43	328.65
6	MIMAROPA (IV-B)	10.40	10.34	10.64	10.30	10.15
7	Bicol Region (V)	34.47	36.44	40.04	42.24	43.97
8	Western Visayas (VI)	94.83	84.34	89.91	95.83	103.82
9	Central Visayas (VII)	88.33	92.21	97.62	99.74	104.84
10	Eastern Visayas (VIII)	35.46	30.42	28.35	36.29	49.32
11	Zamboanga Peninsula (IX)	26.70	26.49	27.83	30.20	31.99
12	Northern Mindanao (X)	135.96	140.52	146.03	152.80	159.09
13	Davao Region (XI)	67.38	68.42	73.58	72.01	71.76
14	SOCCSKSARGEN (XII)	45.24	47.97	47.14	49.84	53.40
15	Caraga	11.90	13.16	13.25	13.86	14.59
16	ARMM	5.85	5.43	5.36	4.94	4.85

Source: PSA

6. Swine Production

*for periods indicated
in thousand metric tons in liveweight*

	REGION	2013	2014	2015	2016	2017
	PHILIPPINES	2,012.17	2,032.30	2,120.33	2,231.66	2,265.02
1	CAR	30.53	28.77	26.75	26.36	25.83
2	Ilocos Region (I)	82.98	81.61	82.73	86.55	90.07
3	Cagayan Valley (II)	68.77	67.09	68.85	71.36	72.87
4	Central Luzon (III)	362.34	380.67	422.53	462.43	447.52
5	CALABARZON (IV-A)	309.49	315.60	336.35	365.06	371.71
6	MIMAROPA (IV-B)	73.11	74.22	77.67	79.59	83.05
7	Bicol Region (V)	114.26	121.36	123.61	121.54	126.60
8	Western Visayas (VI)	182.60	178.52	178.33	188.76	186.60
9	Central Visayas (VII)	156.33	156.77	163.53	175.11	192.20
10	Eastern Visayas (VIII)	85.96	76.61	76.50	76.39	76.45
11	Zamboanga Peninsula (IX)	82.24	80.18	81.32	80.05	82.20
12	Northern Mindanao (X)	159.75	163.98	170.01	177.67	188.45
13	Davao Region (XI)	133.85	136.24	143.31	149.16	151.60
14	SOCCKSARGEN (XII)	118.25	119.81	118.37	119.05	117.74
15	Caraga	40.32	39.83	39.59	42.39	42.19
16	ARMM	11.42	11.05	10.88	10.21	9.95

Source: PSA

7. Fish Production

*for periods indicated
in hundred thousand metric tons*

	REGION	2015 ^r	2016 ^r	2017 ^p
	PHILIPPINES	46.49	43.56	43.11
1	NCR	1.07	1.26	0.92
2	CAR	0.04	0.04	0.04
3	Ilocos Region (I)	1.62	1.57	1.61
4	Cagayan Valley (II)	0.56	0.53	0.51
5	Central Luzon (III)	2.77	2.73	2.87
6	CALABARZON (IV-A)	3.79	3.31	3.32
7	MIMAROPA (IV-B)	5.88	4.83	4.89
8	Bicol Region (V)	2.68	2.34	2.39
9	Western Visayas (VI)	4.02	3.97	3.90
10	Central Visayas (VII)	1.86	1.84	1.51
11	Eastern Visayas (VIII)	1.35	1.40	1.36
12	Zamboanga Peninsula (IX)	5.83	5.55	5.15
13	Northern Mindanao (X)	1.63	1.67	1.56
14	Davao Region (XI)	0.59	0.58	0.57
15	SOCOSKARGEN (XII)	3.29	2.92	3.19
16	Caraga	0.83	0.76	0.75
17	ARMM	8.67	8.24	8.56

Source: PSA

^r revised

^p preliminary

8. Total Number of Approved Building Permits

levels and growth rates

REGION		Levels					Growth rate				
		2013	2014	2015	2016 ^r	2017 ^p	2013	2014	2015	2016 ^r	2017 ^p
PHILIPPINES		120,775	126,875	132,006	147,998	140,605	-0.23	5.05	4.04	12.11	-5.00
1	NCR	13,948	13,381	12,863	13,166	11,583	0.68	-4.07	-3.87	2.36	-12.02
2	CAR	1,161	1,460	1,123	1,202	1,219	-1.69	25.75	-23.08	7.03	1.41
3	Ilocos Region (I)	7,060	7,511	7,990	8,825	10,481	-2.20	6.39	6.38	10.45	18.76
4	Cagayan Valley (II)	2,256	3,347	3,182	3,246	4,294	-15.03	48.36	-4.93	2.01	32.29
5	Central Luzon (III)	12,025	16,047	13,991	14,481	15,437	-10.99	33.45	-12.81	3.50	6.60
6	CALABARZON (IV-A)	31,340	29,092	32,951	34,713	34,776	13.02	-7.17	13.26	5.35	0.18
7	MIMAROPA (IV-B)	2,086	2,508	2,874	2,634	2,233	-5.95	20.23	14.59	-8.35	-15.22
8	Bicol Region (V)	3,177	2,830	3,487	3,513	3,009	6.01	-10.92	23.22	0.75	-14.35
9	Western Visayas (VI)	5,124	5,483	7,059	6,317	6,445	-20.95	7.01	28.74	-10.51	2.03
10	Central Visayas (VII)	13,168	12,440	12,824	14,801	11,219	-8.26	-5.53	3.09	15.42	-24.20
11	Eastern Visayas (VIII)	1,980	2,407	4,937	4,879	3,972	-15.09	21.57	105.11	-1.17	-18.59
12	Negros Island Region				9,686	5,916					-38.92
13	Zamboanga Peninsula (I)	3,484	3,761	4,505	4,032	4,016	-9.20	7.95	19.78	-10.50	-0.40
14	Northern Mindanao (X)	7,698	8,119	8,599	9,378	7,960	1.58	5.47	5.91	9.06	-15.12
15	Davao Region (XI)	8,916	11,500	8,120	10,091	10,263	-2.28	28.98	-29.39	24.27	1.70
16	SOCCSKSARGEN (XII)	3,100	2,822	2,846	3,013	3,414	15.93	-8.97	0.85	5.87	13.31
17	Caraga	3,984	3,922	4,548	3,861	4,211	28.64	-1.56	15.96	-15.11	9.07
18	ARMM	268	245	107	160	157	26.42	-8.58	-56.33	49.53	-1.88

Note: Sum of details may not add up to totals due to rounding.

r Revised to reflect data updates per PSA

p Preliminary

Source: PSA

9. Total Number of New Residential Building Construction

for periods indicated

	REGION	Levels					Growth rate				
		2013	2014	2015	2016 ^r	2017 ^p	2013	2014	2015	2016	2017
	PHILIPPINES	87,767	90,201	97,174	113,097	102,417	0.48	2.77	7.73	16.39	-9.44
1	NCR	7,071	6,772	6,435	6,587	6,055	-0.87	-4.23	-4.98	2.36	-8.08
2	CAR	842	1,041	826	938	885	0.24	23.63	-20.65	13.56	-5.65
3	Ilocos (I)	5,346	5,695	5,801	6,498	7,519	-4.31	6.53	1.86	12.02	15.71
4	Cagayan Valley (II)	1,580	2,500	2,189	2,265	3,336	-19.35	58.23	-12.44	3.47	47.28
5	Central Luzon (III)	8,298	11,852	10,617	10,685	10,768	-15.46	42.83	-10.42	0.64	0.78
6	CALABARZON (IV-A)	25,059	21,480	25,842	27,829	26,785	20.26	-14.28	20.31	7.69	-3.75
7	MIMAROPA (IV-B)	1,445	1,738	1,872	2,007	1,431	-3.60	20.28	7.71	7.21	-28.70
8	Bicol (V)	2,550	2,084	2,691	2,690	2,056	9.16	-18.27	29.13	-0.04	-23.57
9	Western Visayas (VI)	3,834	3,851	5,192	4,848	4,992	-24.42	0.44	34.82	-6.63	2.97
10	Central Visayas (VII)	9,754	8,599	9,627	12,571	8,623	-13.57	-11.84	11.95	30.58	-31.41
11	Eastern Visayas (VIII)	1,214	1,569	3,857	3,671	2,586	-13.78	29.24	145.83	-4.82	-29.56
12	Negros Island Region				8,447	4,752					-43.74
13	Zamboanga Peninsula (IX)	2,571	2,868	3,669	3,456	3,154	-9.15	11.55	27.93	-5.81	-8.74
14	Northern Mindanao (X)	6,445	6,718	7,313	8,014	6,508	4.15	4.24	8.86	9.59	-18.79
15	Davao Region (XI)	6,711	9,168	5,964	7,906	7,940	4.86	36.61	-34.95	32.56	0.43
16	SOCCSKSARGEN (XII)	1,922	1,502	1,544	1,556	1,623	10.46	-21.85	2.80	0.78	4.31
17	Caraga	2,896	2,569	3,644	3,002	3,266	29.87	-11.29	41.85	-17.62	8.79
18	ARMM	229	195	91	127	138	24.46	-14.85	-53.33	39.56	8.66

Note: Sum of details may not add up to totals due to rounding.

^r Revised to reflect data updates per PSA

^p Preliminary

Source: PSA

10. Employment Indicators

for periods indicated
averages in percent

REGION	2013			2014			2015			2016			2017 ^p		
	Employment	Unemployment	Underemployment	Employment	Unemployment	Underemployment	Employment	Unemployment ^a	Underemployment	Employment	Unemployment ^b	Underemployment	Employment	Unemployment ^b	Underemployment
PHILIPPINES	92.80	7.20	19.00	93.40	6.60	18.40	93.70	6.30	18.53	94.55	5.45	18.32	94.29	5.71	16.13
1 NCR	89.70	10.30	12.10	89.80	10.20	10.80	91.50	8.50	10.00	93.33	6.67	8.74	92.59	7.41	9.32
2 CAR	95.50	4.50	14.10	94.80	5.20	13.20	95.20	4.90	20.80	95.61	4.39	23.08	95.71	4.29	14.76
3 Ilocos Region (I)	91.70	8.30	20.00	91.80	8.20	15.40	91.60	8.40	16.90	93.81	6.19	17.42	91.13	8.87	19.85
4 Cagayan Valley (II)	96.80	3.20	12.90	96.30	3.60	11.60	96.80	3.20	11.10	96.92	3.08	12.79	96.85	3.15	13.58
5 Central Luzon (III)	91.30	8.70	14.50	91.90	8.10	14.30	92.20	7.80	13.50	93.40	6.60	16.10	93.37	6.63	11.42
6 Calabarzon (IV-A)	90.80	9.20	17.90	92.00	8.00	18.60	92.00	8.00	18.20	92.85	7.15	15.60	93.03	6.97	13.97
7 Mimaropa (IV-B)	96.00	4.10	23.40	95.60	4.40	19.60	96.70	3.30	20.80	95.91	4.10	21.80	95.24	4.80	23.70
8 Bicol Region (V)	93.50	6.50	37.30	94.20	5.80	32.00	94.40	5.60	31.60	95.38	4.62	30.23	95.43	4.57	27.65
9 Western Visayas (VI)	93.10	6.90	22.70	94.20	5.80	21.40	94.60	5.40	21.30	95.20	4.80	19.27	94.60	5.40	16.70
10 Central Visayas (VII)	93.70	6.30	15.10	94.20	5.80	17.70	94.10	5.90	18.40	95.09	4.91	14.74	95.50	4.50	17.50
11 Eastern Visayas (VIII)	94.70	5.30	25.10	94.20	5.80	31.20	94.60	5.40	31.80	95.53	4.47	29.87	95.56	4.44	22.64
12 Zamboanga Peninsula (IX)	96.50	3.50	21.80	96.50	3.50	20.10	96.50	3.50	18.50	96.24	3.76	22.46	96.04	3.96	17.32
13 Northern Mindanao (X)	94.30	5.70	25.70	94.50	5.40	24.70	94.40	5.60	24.90	94.76	5.24	27.88	94.71	5.29	18.57
14 Davao Region (XI)	93.10	6.90	17.20	94.40	5.60	19.10	94.20	5.80	19.00	95.51	4.49	16.81	95.14	4.86	17.77
15 Soccsksargen (XII)	95.60	4.40	22.70	96.50	3.50	20.70	96.50	3.50	23.20	95.89	4.11	23.74	96.05	3.95	17.94
16 Caraga (XIII)	94.00	6.00	27.10	94.80	5.20	25.00	94.30	5.70	26.20	95.03	4.97	28.01	94.93	5.07	23.10
17 ARMM	95.30	4.60	12.40	96.60	3.40	11.70	96.50	3.50	11.10	96.06	3.94	13.54	96.55	3.45	7.03

^p Preliminary

^a Without Leyte

^b With Leyte

Source: PSA

11. Receipts and Expenditures in billion pesos

REGION	NCR	CAR	I	II	III	IVA	IVB	V	VI	VII	VIII	IX	X	XI	XII	XIII	ARMM
BEGINNING CASH BALANCE	82.00	10.98	16.10	14.55	28.66	54.30	17.43	27.03	37.02	36.25	20.83	15.01	14.16	12.28	14.60	8.49	10.40
RECEIPTS	71.65	15.67	27.87	24.33	53.35	72.49	19.90	26.24	38.08	42.83	25.33	18.72	31.40	26.75	20.65	18.88	30.73
Local Sources	49.43	2.02	5.36	3.20	14.76	27.14	1.66	2.57	6.30	11.99	1.71	1.84	8.38	5.86	2.40	0.27	13.97
Tax Revenues	41.54	0.86	2.56	1.29	9.49	20.58	0.88	1.41	3.58	7.97	1.02	0.96	5.09	3.74	1.31	0.17	1.15
Non-Tax Revenues	7.88	1.16	2.80	1.91	5.27	6.55	0.78	1.17	2.72	4.03	0.69	0.88	3.29	2.12	1.09	0.10	12.82
External Sources	22.14	13.65	22.50	21.05	38.26	45.19	18.24	23.66	31.70	28.12	23.55	16.34	23.01	20.89	18.20	18.61	16.73
Share from IRA	21.54	12.88	20.85	20.86	37.16	42.45	18.18	23.61	31.35	27.44	23.42	16.23	21.70	19.86	18.18	18.28	16.42
Share from GOCCs (PAGCOR and PCSO)	0.08	0.01	0.01	0.01	0.16	0.67	0.01	0.01	0.00	0.02	0.00	0.01	0.01	1.02	0.00	0.00	0.00
Other Share from National Tax Collection	0.48	0.73	1.52	0.09	0.36	1.81	0.03	0.01	0.29	0.58	0.04	0.01	0.80	0.01	0.00	0.19	0.28
Inter-Local Transfer	0.04	0.00	0.00	0.02	0.05	0.14	0.00	0.02	0.04	0.06	0.00	0.09	0.33		0.00	0.09	0.00
Extraordinary Receipts/Grants/Donations/Aids		0.03	0.11	0.07	0.52	0.13	0.03	0.00	0.03	0.03	0.09	0.00	0.16	0.00	0.01	0.04	0.02
Non-Income Receipts	0.09	0.00	0.01	0.08	0.34	0.16	0.00	0.00	0.08	2.71	0.06	0.54	0.01	0.00	0.05	0.00	0.03
Capital Investment Receipts	0.09	0.00	0.00	0.00	0.13	0.03	0.00	0.00	0.00	2.70	0.05	0.00	0.01	0.00	0.00	0.00	
Receipts from Loans and Borrowings			0.01	0.08	0.21	0.14			0.08	0.01	0.01	0.54			0.05		0.03
EXPENDITURES	63.56	15.08	25.47	23.02	48.64	65.59	13.86	13.92	29.94	40.37	14.10	13.55	31.07	22.65	17.26	11.48	16.37
General Services	31.21	6.28	12.98	13.09	26.28	29.91	7.14	6.95	14.55	18.81	7.34	5.92	13.92	11.36	8.42	6.26	7.32
Economic Services	11.79	4.29	5.94	4.58	8.40	14.73	3.16	3.32	6.00	9.98	3.10	3.44	7.75	4.79	4.37	3.76	3.66
Social Services	19.78	3.86	5.61	4.37	11.50	17.77	3.37	3.09	7.07	9.87	2.90	3.00	7.56	5.11	3.41	1.32	3.42
Debt Services	0.78	0.65	0.94	0.97	2.46	3.19	0.19	0.56	2.31	1.71	0.77	1.18	1.84	1.39	1.06	0.14	1.97
ENDING CASH BALANCE	90.09	11.57	18.49	15.86	33.37	61.20	23.48	39.34	45.17	38.71	32.06	20.19	14.49	16.39	17.99	15.89	24.76

Source: Department of Budget and Management, Table F.7 Statement of Receipts and Expenditures, By Regional Level of LGUs, 2017

12. Inflation Rate

in percent

	REGION	2013	2014	2015	2016	2017
ALL ITEMS						
	PHILIPPINES	3.00	4.10	1.40	1.80	3.20
1	Metro Manila	1.60	3.20	1.00	1.20	4.00
	Areas Outside Metro Manila	3.30	4.50	1.50	1.90	2.90
2	CAR	3.40	3.70	1.50	1.90	1.80
3	Ilocos Region (I)	2.30	4.50	1.40	1.80	2.00
4	Cagayan Valley (II)	3.40	4.10	2.00	3.00	3.40
5	Central Luzon (III)	2.70	3.60	1.30	2.20	3.10
6	CALABARZON (IV-A)	2.60	4.00	0.90	0.90	2.80
7	MIMAROPA (IV-B)	2.60	4.50	1.40	2.10	1.80
8	Bicol Region (V)	3.50	5.30	1.00	1.10	4.60
9	Western Visayas (VI)	3.80	4.70	2.30	2.20	2.20
10	Central Visayas (VII)	4.70	5.00	1.80	2.80	3.20
11	Eastern Visayas (VIII)	4.30	7.00	1.80	1.30	3.80
12	Zamboanga Peninsula (IX)	4.30	5.60	2.50	2.90	2.40
13	Northern Mindanao (X)	4.40	4.50	1.30	1.40	3.40
14	Davao Region (XI)	3.20	3.60	2.60	3.20	3.60
15	SOCCKSARGEN (XII)	3.70	5.20	1.40	2.90	1.90
16	Caraga	3.90	5.30	2.50	1.90	2.40
17	ARMM	3.40	4.10	2.60	2.90	4.50

Source: PSA

13. Approved Foreign Investments

for periods indicated
in million pesos

	REGION	2013	2014	2015	2016	2017 ^P
	PHILIPPINES	274,013.55	186,960.02	245,215.70	219,038.60	105,638.67
1	NCR	54,819.61	52,069.71	34,137.33	37,572.42	17,404.60
2	CAR	391.14	1,502.16	26,311.12	24,667.79	143.70
3	Ilocos Region (I)	1,399.85		725.61	6,078.41	10,131.70
4	Cagayan Valley (II)	162.68	341.87	595.68	2,164.50	82.54
5	Central Luzon (III)	119,927.67	25,614.52	22,714.93	13,716.72	10,546.25
6	CALABARZON (IV-A)	60,459.41	87,189.19	115,647.82	94,336.66	48,351.98
7	MIMAROPA (IV-B)	106.80	2,264.45	3,842.71	1,272.28	955.07
8	Bicol Region (V)	309.15	.	2,020.16	0.0	240.27
9	Western Visayas (VI)	1,093.06	1,636.33	7,194.81	9,243.05	6,849.84
10	Central Visayas (VII)	17,636.82	7,229.03	11,697.04	13,613.66	6,102.94
11	Eastern Visayas (VIII)	5,419.40	723.54	38.15	2.58	141.25
12	Zamboanga Peninsula (IX)	-	-	0.0	205.99	0.0
13	Northern Mindanao (X)	2,780.31	2,660.67	3,869.68	1,520.70	2,081.76
14	Davao Region (XI)	6,589.29	504.98	1,733.04	1,285.26	687.81
15	SOCCKSARGEN (XII)	764.98	2,995.11	6,462.29	10,922.55	657.21
16	Caraga	1,831.37	1,648.63	3,114.63	1,395.95	409.05
17	ARMM	322.00	579.56	0.0	1,040.08	695.40
	Several Locations ¹	-	0.27	5,096.43	0.0	157.31
	No Site Yet ²	-	-	14.27	0.0	0.0

Source: Philippine Statistics Authority (PSA)

Coverage of reports: Authority of the Freeport Area of Bataan (AFAB), Board of Investments (BOI), BOI-Autonomous Region of Muslim Mindanao (BOI-ARMM), Clark Development Corporation (CDC), Cagayan Economic Zone Authority (CEZA), Philippine Economic Zone Authority (PEZA), and Subic Bay Metropolitan Authority (SBMA).

^P Preliminary

. Rounds off to zero

¹ Locations not indicated in the raw data submitted to PSA.

² As indicated in the raw data submitted to PSA.

Source: PSA

14. Approved Foreign and Filipino Investments

*for periods indicated
in million pesos*

	REGION	2013	2014	2015	2016	2017 ^P
	PHILIPPINES	754,032.5	755,911.7	686,866.1	685,952.5	908,667.2
1	NCR	151,955.0	218,245.6	118,088.0	159,018.1	128,173.9
2	CAR	4,219.1	2,202.1	26,441.8	57,421.4	2,440.8
3	Ilocos Region (I)	4,992.5	3,944.8	2,920.8	17,388.6	61,920.9
4	Cagayan Valley (II)	3,220.0	2,459.5	5,481.9	5,421.4	14,288.2
5	Central Luzon (III)	217,399.1	145,104.2	59,987.3	89,888.5	181,204.8
6	CALABARZON (IV-A)	166,656.5	223,968.2	271,262.7	181,680.9	374,748.6
7	MIMAROPA (IV-B)	6,331.8	12,981.3	6,113.2	5,700.0	3,803.1
8	Bicol Region (V)	6,286.1	1,514.0	9,305.6	4,476.9	5,510.9
9	Western Visayas (VI)	18,075.4	28,089.5	83,856.4	41,221.6	26,738.0
10	Central Visayas (VII)	35,377.3	15,253.8	40,934.3	51,031.0	44,874.1
11	Eastern Visayas (VIII)	16,332.6	2,065.0	7,493.1	829.8	753.7
12	Zamboanga Peninsula (IX)	1,471.1	0.0	16.5	728.8	0.0
13	Northern Mindanao (X)	56,881.9	63,774.5	15,935.1	15,413.4	12,633.1
14	Davao Region (XI)	52,287.5	14,448.4	7,438.1	27,998.9	13,416.2
15	SOCCSKSARGEN (XII)	2,198.1	4,084.0	13,262.7	23,647.3	30,246.7
16	Caraga	8,803.4	5,184.1	3,893.3	1,974.3	4,286.6
17	ARMM	1,545.0	3,867.7	2,614.1	2,111.4	3,234.5
	Several Locations ¹	0.0	8,725.0	11,806.8	0.0	393.3
	No Site Yet ²	0.0	0.0	14.3	0.0	0.0

Source: PSA

Coverage of reports: Authority of the Freeport Area of Bataan (AFAB), Board of Investments (BOI), BOI-Autonomous Region of Muslim Mindanao (BOI-ARMM), Clark Development Corporation (CDC), Cagayan Economic Zone Authority (CEZA), Philippine Economic Zone Authority (PEZA), and Subic Bay Metropolitan Authority (SBMA).

¹ Locations not indicated in the raw data submitted to PSA.

² As indicated in the raw data submitted to PSA.

15. Deposit Liabilities

in million pesos

	REGION	2013	2014	2015	2016	2017
	PHILIPPINES	7,551,561	8,457,599	9,165,412	10,491,828	11,704,683
1	NCR	5,347,947	5,916,447	6,194,270	7,069,117	7,879,151
2	CAR	64,568	71,703	83,579	96,425	110,175
3	Ilocos Region (I)	121,182	133,527	158,033	185,367	204,110
4	Cagayan Valley (II)	73,268	85,617	100,826	113,997	128,293
5	Central Luzon (III)	337,235	390,433	455,998	527,290	601,811
6	CALABARZON (IV-A)	467,711	535,184	620,919	731,257	812,384
7	MIMAROPA (IV-B) ^{1/}	37,663	44,630	54,575	65,056	80,335
8	Bicol Region (V)	79,010	90,683	107,426	124,626	140,314
9	Western Visayas (VI)	194,120	216,811	149,948	167,858	319,543
10	Central Visayas (VII)	368,145	430,715	463,518	505,395	582,732
11	Eastern Visayas (VIII)	58,723	70,583	84,925	94,334	109,184
12	Negros Island Region ^{2/}	-	-	142,009	160,275	-
13	Zamboanga Peninsula (IX)	59,954	70,891	83,613	95,866	107,690
14	Northern Mindanao (X)	98,174	114,626	132,285	152,816	172,437
15	Davao Region (XI)	129,507	150,169	174,259	214,789	240,357
16	SOCCSKSARGEN (XII)	68,388	80,460	93,771	108,077	124,496
17	Caraga	39,680	47,544	55,809	69,266	78,591
18	ARMM	6,287	7,576	9,649	10,017	13,079

1/ Under Administrative Order No. 129 Palawan was reclassified from Region VI to Mimaropa effective August 31, 2007.

2/ Negros Island Region (NIR) created under Executive Order No. 183 dated 29 May 2015, composed of the provinces of Negros Occidental (formerly from Details may not add up to totals due to rounding-off

Source: SDC-SES-BSP

16. Loans-to-Deposits Ratio

in percent

	REGION	2013	2014	2015	2016	2017
	PHILIPPINES	56.27	60.25	63.21	65.00	70.57
1	NCR	68.00	73.30	79.80	81.75	88.99
2	CAR	17.00	16.63	14.65	14.10	13.73
3	Ilocos Region (I)	22.00	23.35	23.03	22.46	24.50
4	Cagayan Valley (II)	33.00	40.17	40.62	43.01	43.38
5	Central Luzon (III)	27.00	30.69	28.22	29.55	33.26
6	CALABARZON (IV-A)	20.00	20.08	18.95	19.63	23.45
7	MIMAROPA (IV-B) ^{1/}	31.00	32.43	32.69	33.68	33.15
8	Bicol Region (V)	32.00	34.25	32.52	34.07	33.18
9	Western Visayas (VI)	28.00	28.91	27.56	28.12	30.77
10	Central Visayas (VII)	36.00	38.33	40.23	42.42	45.58
11	Eastern Visayas (VIII)	27.00	28.86	25.40	24.79	26.69
12	Negros Island Region ^{2/}			25.75	27.54	
13	Zamboanga Peninsula (IX)	29.00	27.82	25.98	29.75	25.34
14	Northern Mindanao (X)	32.00	31.63	29.31	32.38	33.30
15	Davao Region (XI)	37.00	39.38	35.16	42.48	40.80
16	SOCCSKSARGEN (XII)	36.00	39.88	38.52	46.45	49.35
17	Caraga	28.00	29.91	29.05	32.50	32.11
18	ARMM	20.00	20.95	17.48	15.85	13.87

1/ Under Administrative Order No. 129 Palawan was reclassified from Region VI to Mimaropa effective August 31, 2007.

2/ Negros Island Region (NIR) created under Executive Order No. 183 dated 29 May 2015, composed of the provinces of Negros Occidental (formerly from Region VI Western Visayas) and Negros Oriental (formerly from Region VII Central Visayas)

Details may not add up to totals due to rounding-off

Source: SDC-SES-BSP

17. Bank Density Ratio ^{1/}

in percent

	REGION	2013	2014	2015	2016	2017
	PHILIPPINES	6.05	6.31	6.55	6.81	7.19
1	NCR	184.76	192.65	198.76	206.12	214.60
2	CAR	1.95	2.01	2.06	2.14	2.30
3	Ilocos Region (I)	3.49	3.65	3.89	4.16	4.70
4	Cagayan Valley (II)	3.33	3.54	3.73	3.85	4.20
5	Central Luzon (III) ^{2/}	7.68	7.95	8.37	8.82	9.30
6	CALABARZON (IV-A) ^{3/}	10.63	11.03	11.42	11.73	12.20
7	MIMAROPA (IV-B) ^{3/}	3.01	3.21	3.37	3.66	3.80
8	Bicol Region (V)	3.10	3.33	3.48	3.75	4.10
9	Western Visayas (VI) ^{3/}	4.30	4.51	4.22	4.50	5.20
10	Central Visayas (VII)	4.95	5.17	5.79	5.87	6.00
11	Eastern Visayas (VIII)	1.28	1.30	1.40	1.47	1.60
12	Negros Island Region ^{4/}	-	-	4.93	5.21	-
13	Zamboanga Peninsula (IX)	2.76	2.79	2.99	3.06	3.10
14	Northern Mindanao (X)	3.73	3.96	4.04	4.12	4.30
15	Davao Region (XI)	7.92	8.08	8.33	8.65	9.10
16	SOCCSKSARGEN (XII)	3.94	4.28	4.44	4.64	5.00
17	Caraga	2.84	2.99	2.99	2.85	2.90
18	ARMM	0.18	0.18	0.18	0.16	0.20

^{1/} Ratio of the Number of Banking Offices to the Number of Municipalities and Cities Per Region

^{2/} Inclusive of the province of Aurora effective May 17, 2002 as provided under Executive Order No. 103

^{3/} Executive Order No. 103 dated May 17, 2002 divided Region IV (Southern Tagalog) into Region IV-A (CALABARZON) and Region IV-B (MIMAROPA). Under Administrative Order No. 129 Palawan was reclassified from Region VI to MIMAROPA effective August 31, 2007.

^{4/} Negros Island Region (NIR) created under Executive Order No. 183 dated 29 May 2015, composed of the provinces of Negros

Data Source: SDC-SES-BSP

18. Number of Microfinance Oriented Banks

REGION		Dec-13	Dec-14	Dec-15	Dec-16	Dec-17
PHILIPPINES		563	616	652	816	1,057
1	NCR	32	38	39	52	49
2	CAR	10	10	10	12	20
3	Ilocos Region (I)	3	6	12	34	78
4	Cagayan Valley (II)	5	7	7	7	20
5	Central Luzon (III)	11	18	25	49	85
6	CALABARZON (IV-A)	189	202	216	245	284
7	MIMAROPA (IV-B)	55	60	63	78	79
8	Bicol Region (V)	82	93	97	111	134
9	Western Visayas (VI)	63	70	74	90	105
10	Central Visayas (VII)	7	16	18	21	69
11	Eastern Visayas (VIII)	12	10	17	18	29
12	Zamboanga Peninsula (IX)	7	12	13	12	12
13	Northern Mindanao (X)	16	14	18	17	16
14	Davao Region (XI)	28	25	24	38	48
15	SOCCSKSARGEN (XII)	2	4	2	5	14
16	Caraga	40	30	15	15	15
17	ARMM	1	1	0	0	0
18	Region NIR (Negros Island Region) *	n/a	n/a	2	12	0

* Revocation of EO No. 183 which created the Negros Island Region and transferring Negros Occidental and Negros Oriental to Region VI (Western Visayas) and Region VII (Central Visayas) respectively, per Executive Order No. 38, s. 2017 effective 07 August 2017

n/a no data

Source: SDC-SES

Updated as of 23 February 2018

19. MICROFINANCE LOANS OUTSTANDING IN THE BANKING SYSTEM

*for periods indicated
in million pesos*

	REGION	2013	2014	2015	2016	2017
	PHILIPPINES	8,701.24	11,372.82	11,255.62	13,740.80	17,110.93
1	NCR	658.70	2,049.81	367.12	630.39	909.84
2	CAR	5.89	0.47	1.05	0.77	1.36
3	Ilocos Region (I)	80.59	10.66	5.88	8.04	5.82
4	Cagayan Valley (II)	139.49	118.61	94.57	106.59	115.28
5	Central Luzon (III)	350.69	295.11	381.02	342.71	497.13
6	CALABARZON (IV-A)	4,972.90	6,454.74	7,889.08	9,846.56	12,455.30
7	MIMAROPA (IV-B)	30.82	34.71	35.59	35.13	23.99
8	Bicol Region (V)	189.83	218.72	261.68	328.60	337.79
9	Western Visayas (VI)	583.88	689.67	572.46	619.35	754.25
10	Central Visayas (VII)	318.82	317.88	352.59	404.17	431.93
11	Eastern Visayas (VIII)	15.54	18.32	17.98	20.28	21.74
12	Negros Island Region			90.19	91.02	
13	Zamboanga Peninsula (IX)	330.86	323.31	290.62	388.17	562.49
14	Northern Mindanao (X)	159.27	243.05	285.73	288.85	332.44
15	Davao Region (XI)	122.19	113.46	134.52	169.01	179.14
16	SOCCSKSARGEN (XII)	82.11	87.31	101.98	104.02	122.15
17	Caraga	659.68	397.01	373.55	357.13	360.30
18	ARMM					

Notes:

Regional grouping based on the location of bank's head office

Executive Order No. 183 (s. 2015) created the Negros Island Region.

Executive Order No. 38 (s. 2017) revoked Executive Order No. 183

Data Source: SDC- BSP

20. MICROFINANCE BORROWERS IN THE BANKING SYSTEM

for periods indicated

	REGION	2013	2014	2015	2016	2017
	PHILIPPINES	1,049,988	1,229,825	1,471,896	1,686,152	1,956,276
1	NCR	19,043.0	36,421.0	31,066	30,423	27,595
2	CAR	255.0	39.0	85	51	53
3	Ilocos Region (I)	6,540.0	1,775.0	1,415	1,320	780
4	Cagayan Valley (II)	17,230.0	15,431.0	13,574	13,430	12,014
5	Central Luzon (III)	41,317.0	38,413.0	51,975	58,077	62,143
6	CALABARZON (IV-A)	615,395.0	824,417.0	1,070,179	1,288,983	1,553,541
7	MIMAROPA (IV-B)	2,485.0	3,079.0	3,228	3,467	2,881
8	Bicol Region (V)	34,449.0	26,047.0	29,050	30,901	28,520
9	Western Visayas (VI)	64,157.0	72,913.0	64,550	66,803	72,467
10	Central Visayas (VII)	34,592.0	31,530.0	25,983	26,593	34,675
11	Eastern Visayas (VIII)	2,391.0	1,484.0	1,402	1,325	1,352
12	Negros Island Region			7,697	8,445	
13	Zamboanga Peninsula (IX)	45,212.0	39,617.0	37,901	35,207	41,471
14	Northern Mindanao (X)	29,524.0	27,428.0	26,715	21,971	21,635
15	Davao Region (XI)	8,790.0	8,275.0	8,668	8,598	8,409
16	SOCCSKSARGEN (XII)	15,673.0	17,201.0	17,750	16,517	16,681
17	Caraga	112,935.0	85,755.0	80,658	74,041	72,059
18	ARMM					

Notes:

Regional grouping based on the location of bank's head office
 Executive Order No. 183 (s. 2015) created the Negros Island Region.
 Executive Order No. 38 (s. 2017) revoked Executive Order No. 183.