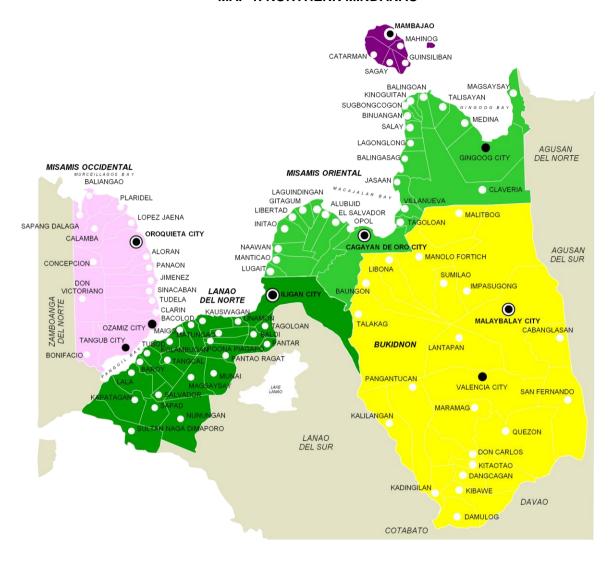
# NORTHERN MINDANAO REGIONAL DEVELOPMENT REPORT

2010



NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY

**MAP 1. NORTHERN MINDANAO** 



Long -Term Vision (2004-2034)

To be the leading industrial and trade center in Mindanao with vibrant, skilled and productive men and women enjoying equal opportunities in harnessing the potentials and resources in building a decent, peaceful and healthful living environment





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- Cagayan Electric Power and Light Company
- Camiguin Polytechnic State College
- Central Mindanao University
- Civil Aviation Authority of the Philippines
- Civil Service Commission
- Commission on Higher Education
- Cooperative Development Authority
- •
- Department of Agrarian Reform
- Department of Agriculture
- Department of Budget and Management
- Department of Education
- Department of Energy
- Department of Environment and Natural Resources
- Department of Finance Bureau of Local Government Finance
- Department of Health
- Department of Interior and Local Government
- Department of Labor and Employment
- Department of Public Works and Highways
- Department of Social Welfare and Development
- Department of Science and Technology
- Department of Tourism
- Department of Trade and Industry
- Department of Transportation and Communication
- Development Bank of the Philippines
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- Environmental Management Bureau
- Housing and Land Use Regulatory Board
- Housing and Urban Development Coordinating Council

- Land Bank of the Philippines
- Land Transportation Office
- Land Transportation Franchising and Regulatory Board
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Sincere appreciation is also extended to the Regional Development Council-10 and its four sectoral committees for serving as venues in the review and confirmation of the sector assessments, and endorsement and advocacy of the priority action areas.

### Foreword

This year marks the end of the 2004-2010 plan period. As such, this issue of the Regional Development Report (RDR) of Northern Mindanao highlights the targets surpassed and targets missed in the Medium-Term Regional Development Plan (MTRDP) 2004 –2010 and its update (MTRDP 2008-2010) particularly in its ending year. The priority action areas are carefully identified so that they are given focus in the 2011-2016 plan period.

The year 2015, on the other hand, is our MDG deadline. With barely five years to go, this report likewise scrutinizes which of the goals and targets are the region lagging behind. As it will be seen, the region will have difficulty in attaining the targets of achieving universal access to primary education, gender equality in primary education, universal access to reproductive health, sustainable access to safe water and improved sanitation, and environmental sustainability. These results convey the urgency in laying down our strategies on how to quickly implement our responses to achieve our MDG commitments.

Meanwhile, the 2011-2016 plan period aims to achieve inclusive growth – that is, high and sustained economic growth which should impact positively in improving the welfare of people and, hence, lead to the realization of the long desired outcome on poverty reduction. The 2010 performance assessment provided in this report will serve as the benchmarks against which our progress by 2016 can be measured.

The National Economic and Development Authority-10 extends its sincerest gratitude for the dynamism shown by the various stakeholders in the region. We are truly appreciative of the never waning commitment of our partners in working with us for a truly transformative development.

More power to all of us!

ENGR. LEON M. DACANAY, JR., CESO III Regional Director, NEDA-10

# **Abbreviations and Acronyms**

4Ps	Pantawid Pamilyang Pilipino Program	CHD-NM	Center for Health and Development –Northern Mindanao
A&E	Accreditation and Equivalency	CHED	Commission on Higher
ADSDPP	Ancestral Domains Sustainable	CHED	Education
AFF	Development and Protection Plan Agriculture, Fishery and Forestry	CIDSS	Comprehensive and Integrated Delivery of Social Services
AFP-CAFGU	Armed Forces of the Philippines	CIQS	Customs, Immigration, Quarantine and Security
	-Citizens' Armed Forces Geographical Unit	CLASP	Community Land Acquisition Support Program
AHMP	Accelerated Hunger Mitigation	CLUP	Comprehensive Land Use Plan
AJD	Program Agrarian Justice Delivery	CMP	CMP – Community Mortgage
ALP	Agri-Livelihood Project	O.V.II	Program
ARBs	Agrarian Reform Beneficiaries	CMU	Central Mindanao University
ARCs	Agrarian Reform Communities	CNC	Certificate of Non-Compliance
ASEAN	Association of South East Asian	COC	Cagayan de Oro College
ASEAN	Nations	COD	Center of Development
ASTHRDP	Accelerated Science and	COE	Center of Excellence
	Technology Human Resource	CPR	Contraceptive Prevalence Rate
CES	Development Program Claveria Experiment Station	CPSC	Camiguin Polytechnic State College
BAPC	Bukidnon Agri Productivity	CRM	Coastal Resource Management
	Center	CU	Capitol University
BAS	Bureau of Agricultural Statistics	CUP	Comprehensive Unified Policy
BD	Blue-Desk	CVS	Compliance Verification System
BESRA	Basic Education Sector Reform	DA	Department of Agriculture
DETD	Agenda	DepEd	Department of Education
BETP	Bureau of Export Trade Promotion	DGDP	Dairy Goat Development Project
BFD	Bureau of Food and Drugs	DMPI	Del Monte Philippines, Inc.
BHS	Barangay Health Stations	DOH	Department of Health
BHWs	Barangay Health Workers	DOLE	Department of Labor and
BIMP-EAGA-	Brunei Indonesia Malaysia		Employment
	Philippines-East ASEAN Growth Area	DOST-10	Department of Science and Technology Region 10 Office
BLP	Basic Literacy Program	DOT	Department of Tourism
BnB	Botika ng Barangay	DOTS	Directly Observed Treatment
BSU	Bukidnon State University	DOWD	Short Courses
CARP	Comprehensive Agrarian Reform Program	DSWD	Department of Social Welfare and Development
CCRMP	Camiguin Coastal Resource Management Project	DTI	Department of Trade and Industry
ССТ	Conditional Cash Transfer	ECAs	Environmentally Critical Areas
CDD	Community Driven Development	ECC	Environmental Compliance
CEMS	Continuous Emissions		Certificate
32.110	Monitoring System	ECPs	Environmentally Critical Projects
CES	Claveria Experiment Station	EHLP	Expanded Housing Loan Program
CGS	Child Growth Standards		i rogiairi

EMB	Environmental Management Bureau	LH LHF	Land Holding Local Housing Fund
EPI	Expanded Program on	Lm	Linear meter
CTCC A D	Immunization Expanded Tertiary Education	LO	Leasehold Operation
ETEEAP	Equivalency and Accreditation	LPP	Local Planning Process
	Program	LTAP	Land Tenurial Assistance
FBs	Farmer Beneficiaries		Program
FIC	Fully Immunized Children	LTI	Land Tenure Improvement
FIELDS	Fertilizers; Irrigation and Infra;	LUCs	Local Universities/Colleges
	Extension and Education; Loans; Dryers and Other Post Harvest	MCP	Maternity Care Package
	Facilities; Seeds and Other	MDGs	Millennium Development Goals
	Genetic Materials	MICE	Meetings, Incentives, Conventions and Events
FLT	Functional Literacy Test	MNCHN	Maternal, Neonatal and Child
FMR	Farm-to-Market Road	MINCLIN	Health and Nutrition
FP	Family Planning	MNCIADP	Mindanao North Coast
FPIC	Free, prior and informed consent		Integrated Area Development
GHD	Gifts, Housewares, and Decors		Program
GMA	Ginintuang Masaganang Ani	MOSCAT	Misamis Oriental State College of Agriculture and Technology
GRS	Grievance Redress System	MPS	Mean Percentage Scores
GSIS	Government Service Insurance	MRDP	Mindanao Rural Development
HAICLN	System  Halal Advocates of Iligan City	WII(D)	Program
TIAIOLIN	and Lanao del Norte	MRF	Materials Recovery Facility
Has	Hectares	MSME	Micro, Small and Medium Enterprises
HDMF	Home Development Mutual Fund	MSMEDC	Micro, Small and Medium
HEIs	Higher Education Institutions	MONEDO	Enterprises Development
Hh	Household		Council
HLURB	Housing and Land Use Regulatory Board	MSME	Micro, Small and Medium-Scale Enterprise
ICCs	Indigenous Cultural Communities	MSU-IIT	Mindanao State University –
IDPs	Internally Displaced Persons	MT	Iligan Institute of Technology  Makamasang Tugon
IEC	Information, Education and	Mt.	Mount/Mountain
IEEV	Communication	MT/Ha.	Metric Tons per Hectare
IFEX	International Food Exhibition	MUST	Mindanao University of Science
InfRES	Infrastructure for Rural Productivity Enhancement		and Technology
IPDM	Sector Institute for Peace and	NAMRIA	National Mapping and Resource Information Authority
	Development in Mindanao	NAT	National Achievement Test
IPRA	Indigenous Peoples Rights Act	NCIP	National Commission on
IPs	Indigenous Peoples		Indigenous Peoples
ISLA	Integrated Services for Livelihood Advancement of	NDHS	National Demographic Health Survey
	Fisherfolk	NERBAC	National Economic Research and Business Assistance Center
KALAHI	Kapit Bisig Laban sa Kahirapan	NFA	National Food Authority
Km	Kilometer	NFP	Natural Family Planning
LAD	Land Acquisition and Distribution	NGO	Non-government organization
LBP	Land Bank of the Philippines	NHA	National Housing Authority
LGU	Local Government Unit	INI I/A	realional Flousing Authority

NHTS-PR	National Household Targeting System for Poverty Reduction	PWS	Potable Water Supply
NIPAS	National Integrated Protected	QRF	Quick Response Fund
710	Areas System	QTA	Quick Turn Around
NMEA	Northern Mindanao Entrepreneurship Academy	QUEDANCOR	The Quedan and Rural Credit Guarantee Corporation
NMSC	Northwestern Mindanao State	R&D	Research and Development
THINGO	College of Science and	RA	Republic Act
	Technology	RDC	Regional Development Council
NNC NNS	National Nutrition Council	RDI	Research and Development Institute
	National Nutrition Survey	RDT	Random Drug Testing
NOTIVIINCOARL	Northern Mindanao Consortium for Health Research and	REB	Reaching Out Every Barangay
	Development	RHM	Rural Health Midwife
NSWMC	National Solid Waste	RHU	Rural Health Unit
	Management Commission	RI	Rural Infrastructure
NTP	National Tuberculosis Program		
NWRB	National Water Resources Board	RIPE	Regional Intervention Programs in the Elementary
ODA	Official Development Assistance	RIPPLES	Regional Interactive Platform for
OFW	Overseas Filipino Workers		Philippine Exports
OPV	Open Pollinated Variety	RPM	Responsible Parenting
OSEDC	One-Stop Export Documentation	DOT	Movement
OSHC	Center Occupational Safety and Health	RSTL	Regional Standards and Testing Laboratories
00.10	Center	SAFDZs	Strategic Agriculture and
OTOS	One-Town-One-Scholar		Fisheries Development Zones
OWWA	Overseas Workers Welfare Administration	SB Corp	Small Business Guarantee and Finance Corporation
PA	Protected Area	SEA-K	Self-Employment Assistance –
PBD	Program Beneficiaries		Kaunlaran
	Development	SEC	Securities and Exchange Commission
PCA	Philippine Coconut Authority	SEC	Secondary Education Curriculum
PCCP	Portland Cement Concrete Pavement	SESP	Skills and Employment Scholarship Program
PCOs	Public Calling Offices	SET-UP	Small Enterprise Technology
PDAF	Priority Development Assistance Fund		Upgrading Program
PESFA	Private Education Student Financial Assistance	SFTCE	Seek-Find-Train-Certify-Employ Paradigm
PGN	Promote Good Nutrition	SHFC	Social Housing Finance Corporation
PHIC	Philippine Health Insurance	SKA	SEA-K Associations
D. 110.4.T	Corporation	SNPLP	Study Now Pay Later Plan
PhilCAT	Philippine Coalition Against Tuberculosis	SSGP-CD	Special Study Grant Program for
PHN	Public Health Nurse	CTEV/DD	Congressional Districts
PPC	Philippine Postal Corporation	STEVPP	Science and Technology Experts Volunteer Pool Program
PPMD	Public Private Mix DOTS	SUCs	State Universities and Colleges
PR	Participation Rate	TB	Tuberculosis
PRC	Professional Regulation		Technical Education and Skills
	Commission	TESDA	Development
PSHS	Philippine Science High School	TFR	Total Fertility Rate

TVET	Technical Vocational Education and Training	UTPRAS	Unified TVET Program Registration and Accreditation
TWSP	Training for Work Scholar		System
	Program	VCA	Value Chain Approach
UbD	Understanding by Design	WAP	Welfare Assistance Program
UDP	Upland Development Program	XU	Xavier University
UP	University of the Philippines	YP4SC	Youth Profiling for Starring
UPA	Urban Poor Associations		Careers

# **Executive Summary**

### a. The Macroeconomy

At PhP73.2 billion GRDP in 2009, Northern Mindanao continues to lead the Mindanao regions in size of economy. The region's share to total Mindanao output, however, decreased slightly from 28.3 percent in 2008 to 28.1 percent in 2009.

The region's GRDP growth rate continued to decelerate to 2.92 percent from the 5.22 percent growth in 2008 and 7.7 percent in 2007, as a result of the global financial crisis. Among the Mindanao regions, Zamboanga Peninsula and Davao Region outpaced Region 10 in GRDP growth in 2008-2009. Together with Davao Region in Mindanao, and CAR and NCR in Luzon, Northern Mindanao had GRDP per capita above the national average.

Relative shares of the three sectors to total regional output remained as in previous year, with Services still remaining the largest sector, contributing 38 percent. Agriculture, Fishery and Forestry (AFF) continued to lead the sectors in output growth with 4.2 percent increase; Industry 3.1 percent, and Services 1.7 percent. In terms of percentage contribution to total output growth, AFF likewise contributed the largest share of 1.32 percent, Industry 0.95 percent, and Services 0.65 percent, to the 2.92 percent GRDP growth in 2009.

**Prices.** Overall inflation over the year (2010) continued on a downtrend, although at a slower rate compared to that of the previous year. Most notable changes were posted by fuel, light and water (FWL), which rose by 5.63 percentage points to 8.85 percent, while food, beverage, and tobacco (FBT) dropped by 3.47 percentage points to 2.67 percent.

**Labor and Employment.** Average employment rate for year 2010 has remained at 95 percent, higher than the national average of 92.6 percent. Underemployment rate, however, has remained high at 28 percent, although the increase in the number of underemployed persons of 16,000 persons was lower than the previous year's increase of 42,000.

**Revenue Collections.** Internal revenue collection for the whole year of 2010 increased by almost 20 percent compared to the previous year's record. Income tax, which comprised more or less 60 percent of total, posted a significant 24 percent increase.

Customs collection, on the other hand, achieved a turnaround from the past year's reduction, to record almost 16 percent increase.

**Poverty**. Poverty incidence in the region has been high and increasing, although the increase has been slowing down in the period 2006-2009 (32.4% in 2003 to 32.7% in 2006 to 32.8% in 2009). There were 131.3 thousand families considered subsistence or food poor in 2009, which was around 2.8 thousand more than the figure in 2006. This increase in number of subsistence poor families was already an improvement from the 9.6 thousand increase in 2006 over the 2003 figure.

### **b.** Economic Development

Agriculture and Fisheries. The agriculture and fishery sector showed minimal decrease of 6.2 percent in the annual production. This performance was primarily influenced by the 6.7 percent decline in the production of the crops subsector.

Except for fruits, self-sufficiency on all crops slightly reduced as production was affected by the El Niño Phenomenon.

Palay production slightly grew by 0.44 percent, reaching 585,842 metric tons in 2010, from 583,297 metric tons in 2009. The positive growths in the annual production and in farm gate price contributed to the 2.45 percent increase in the value of palay, grossing at PhP8.946 billion. The region achieved 69 percent rice net sufficiency level in 2010, lower by 26 percentage points of the MTRDP's 95 percent target.

Yellow corn, which contributed 68 percent of the total annual corn production, was valued at PhP8.514 billion. This was higher by almost six percent over the previous year's level. White corn production, which accounted for 32 percent of total production, declined by almost three percent.

Among other crops, rootcrops posted the highest growth in production at almost 12 percent. Fruits, which shared the bulk (45.8 percent) of production of other crops, grew minimally by almost three percent. Banana, which accounted for the largest share of total fruit production, grew by a minimal 2.7 percent.

Industrial crops and vegetables recorded negative growths at 24.4 and 1.3 percent, respectively. Cassava, which contributed 93 percent of the total rootcrop production, grew by almost 13 percent over the 2009 level.

Poultry and livestock production grew by 5.4 percent during the year pushing production level to 348,750 metric tons (live weight). Highest growth was exhibited by chicken, which notably increased by 7.2 percent as a result of the increased number of birds processed in various dressing plants, farms and households. Swine, the biggest production contributor, managed to grow by almost six percent.

Fish production reached 160,602 metric tons in 2010, a 3.3 percent increase over the 2009 level. This was largely attributed to the 10 percent increase in aquaculture production and two percent in municipal fisheries. Commercial fisheries dropped by five percent over the 2009 level.

In the pursuit of rural development in the region, the following programs and projects were implemented during the year: (a) banner programs for rice, corn, high value crops and livestock; (b) two foreign funded projects, namely, InfRES Project and Mindanao Rural Development Program (MRDP); and (c) locally-funded Mindanao North Coast Integrated Area Development Program (MNCIADP). These are in addition to the following continuing services being delivered by the Department of Agriculture: (a) production support services; (b) market development services; (c) extension support, education and training services; (d) research and development services; and, (e) regulatory services

Through the foregoing programs, projects and services the following were among those accomplished:

• A total of 24,436 bags of certified rice seeds were distributed at subsidized rate of PhP600.00 per bag and 5,025 bags for QTA (Quick Turnaround) and rehabilitation programs at full subsidy benefiting 33,734 farmers;

- The region produced and distributed 11,052 grams of *Trichogramma japonicum* and 5,276 packs of *Metarhizium* benefitting 988 rice farmers bringing under control the prevalence of rice stem borer, bacterial leaf blight and other pests and diseases in 2,697 hectares of rice farms throughout the region;
- Analyzed 2,639 soil samples to determine appropriate fertilizer requirement for 26,390 hectares of rice farms benefitting 2,605 rice farmers;
- A total of 1,730 bags of OPV seeds were produced and distributed at one bag per farmer regionwide to increase and promote corn production;
- A total of 2,353 kilograms of assorted quality vegetable seeds, 32 power sprayers and 300 bags of flower inducer for mango were distributed to farmerbeneficiaries;
- Marketing updates were continuously provided to farmers through monitoring and dissemination of prices on rice, corn and other agricultural products;
- To ensure that markets are available for the produce of livestock and poultry farmers, strong linkage between and among the region's livestock and poultry industry associations and potential markets were established during the year;
- The region continued to develop appropriate technologies through the conduct of 16 rice-related researches;
- A total of 26 units of pressurized drip irrigation complementing the rain shelters, as well as 226 units of waterpumps were procured and installed by the LGUrecipients during the year;
- 17 FMRs with a total stretch of 204.175 kilometers and four units of potable water systems were funded under the InfRES project reaching PhP471.582 million;
- PhP153.78 million worth of projects were completed and ongoing under the Rural Infrastructure Component of the MRDP; another PhP34.05 million under the Community Fund for Rural Development Component; and,
- Implementation by LGUs of infrastructure projects funded by MNCIADP: PhP32.1 million for farm-to-market roads and PhP2 million for post-harvest facilities.

*Agrarian Reform.* The Comprehensive Agrarian Reform Program (CARP), as extended by Republic Act 9700 until Year 2014, continues to pursue land distribution as critical component of fully distributing public and private agricultural lands that have been programmed for release to identified Agrarian Reform Beneficiaries (ARBs) under CARP.

In 2010, there was 81 percent cumulative accomplishment against the 329,902 hectares (has) of targeted lands for acquisition and distribution to farmer beneficiaries. Annual performance indicated the same accomplishment accounting for the distribution of 9,118 has as compared to the target of 11,217 has in 2010.

Delivery of agrarian justice posted cumulative accomplishment of 99.0 percent cases settled/disposed while 72.0 percent performance was reported for cases that have been decided/resolved.

Various types of interventions in support to Project Beneficiaries Development (PBD) continued to be undertaken in the region. A total of 169 Agrarian Reform Communities (ARCs) have been developed as of 2010 in 88 municipalities/cities of the region. ARB membership in the region was reported at 83,278 persons.

Infrastructure projects in ARCs were provided through the construction of farm-to-market roads, bridges, irrigation facilities, and post-harvest facilities. Meanwhile, access to basic social services for 357,018 households regionwide was facilitated through the provision of potable water supply, power supply, education services, health services, and recreational facilities.

As of December 2010, total Official Development Assistance (ODA)-funded projects in the region was recorded at PhP3.5 billion covering 139,232 ARBs in 261 ARCs.

In terms of improving the income level of ARBs in the region, average annual income reported was about PhP 192,000 for a total of 80,206 ARBs in 185 ARCs.

Environment and Natural Resources. Management of the region's forest resources, lands, protected areas, and conduct of ecosystem research and development continued to be pursued in 2010. Activities along environmental quality management and sustainable mining development were likewise pursued as continuing concerns of the sector to ensure livable communities and sustainable management of the region's natural resources.

The sector's banner program on reforestation, Upland Development Program (UDP), accomplished its 2010 target to reforest and/or maintained 2,808 hectares of the region's forest areas. All forest management activities targeted in Plan have been met satisfactorily such as watershed protection, agroforestry development, mangrove rehabilitation, and protection of 118,523 hectares of untenured forestlands from illegal activities.

Patents issuance and public land surveys achieved their respective 2010 targets, but contributed only about 12 percent and 7 percent, respectively, to the overall plan targets. Surveys in support to the Comprehensive Agrarian Reform Program (CARP) achieved its 2010 annual target but accomplished only 30 percent of the total target for the entire plan period.

The region's eight protected areas totaling an area of 107,316 hectares continued to be protected/managed against unsustainable practices. Among the sites, Mt. Malindang Natural Park netted to most collection from user fees, which will be ploughed back to its management uses.

New Zealand-assisted coastal resource management efforts helped the province of Camiguin attain complete delineation of the municipal waters of its constituent five municipalities, thereby making it the  $2^{nd}$  province nationwide to have achieved such distinction.

While the annual targets for criteria pollutants have been reported to be with national standards that helped ensure healthful air quality for the people, the Plan target of 45 percent reduction in total suspended particulates (TSP) in 2010 has not been met because of the suspension of monitoring for this pollutant in 2008.

Water quality monitoring plan target of nine major rivers in the region were met. Water quality particularly for Cagayan de Oro River, Macajalar Bay, and Duka Bay continues to post pollutant concentrations to be within the national standards and, therefore, safe for humans and other domestic uses.

The region continues to struggle with LGU compliance to the prescribed closure of open dumpsites and their replacement with sanitary landfills or other disposal systems. As of 2010, the region has not a single operating sanitary landfill although four sites had already been identified as potential sites. Currently, the region has still an inventory of 36 existing open dumpsites.

*Trade and Industry.* Year 2010 proved to be a better year for the region when investments and exports were on the uptrend from the 2009 level, surpassing the targets set for the year.

The region generated a total of PhP11.9 billion worth of investments, a marked improvement from the PhP8.3 billion generated in the same period last year and higher than the revised target in the Medium-Term Regional Development Plan 2004-2010 (MTRDP 2004-2010) by 19 percent. This performance was brought about by various promotion activities, as well as initiatives implemented to streamline the processing of business licenses and permits that resulted to regained business confidence in the region. Strong support for the micro, small and medium enterprises also contributed to this performance when a total of 1,135 MSMEs were developed and assisted during the year, higher by 18 percent than the plan target of 964 MSMEs.

Annual exports amounted to a total of USD926.9 million, a tremendous increase of 78.8 percent, year-on-year and higher than the plan target by 29.3 percent. The continuing assistance provided to exporters through the Export Pathways Program and ease in the processing of export-related documents through the National Economic Research and Business Assistance–Region 10 (NERBAC-10) are among the major factors for the impressive performance of the sector.

**Tourism.** Over the years, the region strives to emerge as one of the major destination areas in the country. Its market primarily caters to the local tourists that composes majority of the visitors. For 2010, domestic visitors comprised 97.03 percent of the total visitors while foreign visitors only shares 3.07 percent of the regional total. The cultural festivals, which serve as major tourists come-ons, the emerging growth in the eco-tourism and adventure tourism segments, as well as its bid in the meetings, incentives, conventions and exhibitions segment positioned the region as an ideal destination for domestic and foreign travelers. With these major developments in the tourism sector, there is a need to fully harness the region's potentials along tourism in a sustainable manner so as not to compromise environmental integrity.

*Science and Technology*. The Department of Science and Technology Region 10 (DOST 10), with the support of the Regional DOST Councils and the Region's Research and Development Institutes (RDI's), was in the forefront of technology interventions for the various industries, business, LGUs and other clients in the region.

In line with DOST's initiatives in promoting integrated approach to solid waste management, it has funded the acquisition of bioreactor and stryro-plastic densifiers for projects supporting the Solid Waste Management strategies of various local government units in the region. As of December 2010, DOST 10 has established five bioreactor and two styro-plastic densifier facilities in the region.

The Testing and Calibration Services of the Regional Standards and Testing Laboratories (RSTL) continued to extend industry-responsive testing services and other forms of laboratory related assistance to MSME's in the region.

The provision of consultancy services included technical assistance in label design, packaging material identification, accelerated shelf-life test, nutrition facts analysis and printing that benefitted 73 firms and served 192 clients. Meanwhile, 24 training programs were conducted benefiting 519 participants from the MSMEs.

Along S&T promotional activities, the holding of the 2010 DOST Mindanao Cluster Science and Technology Fair showcased DOST-developed technologies and scientific innovations, as well as locally-developed technological initiatives from different production and manufacturing sectors all over Mindanao. These included products and services of DOST agencies and DOST SETUP-assisted MSMEs from the five member regions. Constituents from other DOST RDIs and regional offices from Luzon and the Visayas, the academe and various regional consortia, also participated as exhibitors to promote their assisted technologies, researches and inventions.

Scholarship programs, such as the Philippine Science High School (PSHS) Scholarships for incoming first year high schools and the DOST S&T Merit and R.A. 7687 Scholarship for tertiary level students, were also prioritized by DOST 10 for CY 2010.

DOST 10 maintained network and linkages with print and broadcast media outfits in continuously disseminating S&T information through the collaboration with 110 institutions coming from the LGUs, academe, private sector including MSMEs and other government agencies within the region. The DOST 10's "Technology Business Cafe" has been among the recent innovations related to this.

### c. Social Development

**Basic Education.** In the last six years, the region posted improvements in terms of access and quality of basic education. However, the annual accomplishments have not been fast enough to warrant the attainment of the Millennium Development Goal (MDG) of providing universal access to quality primary education by 2015.

Overall enrollment in formal education from preschool to secondary level totaled 1,056,201 in SY 2010-2011. The public sector remains to be the main provider, with an 88 percent share in terms of enrollment and 74.7 percent in terms of number of schools.

There were slight increases in participation rate (PR). SY 2010-2011 elementary PR is 90.04 percent, while secondary PR is 52.21 percent. As to cohort survival rate, that of the elementary is lower than the secondary level: 66.9 percent against 71.2 percent in SY 2010-2011.

Efforts to provide basic education services to out-of-school children, youth and adults were continually pursued. Under the Basic Education Program (BLP), there were 20,542 and 22,725 learners in 2009 and 2010, respectively. Accreditation and Equivalency (A&E) enrollment more than doubled from 8,183 to 20,385 during the same period.

The elementary and secondary repetition rates of 2.67 percent and 3.5 percent, respectively, indicate that over 24,000 students are still in the same grade or year level that

they were enrolled in during the previous school year. On the other hand, dropout rates for both levels (0.83 percent for elementary and 6.67 percent for secondary) indicate that over 20,000 students have abandoned schooling during the previous school year.

The need to improve the quality of basic education is evident from the results of the National Achievement Test (NAT). In SY 2009-20010, the MPS for the elementary and secondary levels were 69.16 percent and 45.24 percent, respectively. Both are below the standard of 75 percent.

The performance of elementary students was poorest in Science with an MPS of 64.03 percent, followed by Mathematics with 65.56 percent and English with 69.69 percent. Region 10 ranked sixth place, from tenth place in SY 2009-2010 among all regions nationwide. Meanwhile, the secondary students scored lowest in Araling Panlipunan (38.98%), Mathematics (40.75%) and Science (45.48%). The region only placed seventh among all regions nationwide.

Classroom-pupil ratios are at 1:38 and 1:50 in the elementary and secondary level, respectively, lower than the standard of 1:40. Likewise, the teacher-student ratios in both levels are not within the standard of 1:25, per DepEd Order 88, s. 2009. Moreover, student-seat ratios are still not 1:1.

**Technical Vocational Education and Training.** The sector continues to provide improved system and services to ensure better training, wider opportunity and vast employment generation, and industrial productivity. Likewise, in support and in articulation of the government's battle against poverty, it employs the "Seek-Find-Train-Certify-Employ" (SFTCE) paradigm.

While there were significant accomplishments in 2010, it should be noted that in 2009, there was a massive provision of resources to the sector which resulted to tremendous accomplishments particularly for scholarships and training for regular technical vocational programs to support job creation and security. The increased TVET funding widened opportunities for employment of the graduates and produced additional skilled workforce.

To ensure delivery of relevant and quality TVET programs, the Unified TVET Program Registration and Accreditation System (UTPRAS) was continuously pursued with a total of 86 new programs registered in 2010. The conduct of compliance audit to existing programs was given more focus during the year with 92 programs audited, surpassing its target by 42 percent.

Competency assessment was given to a total of 20,680 graduates and workers, higher by 16 percent of its annual target. The increase in the number of accredited assessment centers and the mandatory assessment of TVET graduates for school-based programs facilitated the achievement of the annual target. Out of this total, 17,473 were certified posting a regional certification rate of 84 percent, an increase of one percent compared in the previous year and nine percent higher than the target.

A number of poor but deserving students who are enrolled in jobs directed training continue to avail the TVET scholarship programs. Both TWSP and PESFA scholars reached 1,182 in 2010, which were only 65 and 17 percent, respectively to the annual targets. The need to fast track the approval/releases of scholarship slots and funds at the central office down to the regional/local level have to be addressed to generate more scholars.

With the reduction in the number of persons availing TVET in 2010, there were only 9,409 persons registered under the YP4SC. This is short by 35 percent of its annual target and lower by 39 percent than the previous year's level. Non-compliance to install the YP4SC by TVET providers despite issuance of mandatory requirements caused the decline in its performance.

The TVET sector facilitated employment of about 12,500 workers in 2010 through the SFTCE paradigm. Although lower by six percent than the previous year's accomplishment, this is four percent higher than its target for the year. Meanwhile, Blue-Desk (BD) integration by the LGUs, NGAs and industries which started in 2010 facilitated the installation of 128 BDs which squarely met its target for the year. With BDs installed in all five provinces of the region, series of successful Blue-Desk Jobs Bridging activities were conducted and able to refer a total of 5,718 jobseekers/OFWs to industry partner-employers.

*Higher Education*. As of SY 2010-2011, Region 10 has now a total of 82 public and private Higher Education Institutions (HEIs), which comprised the six Local Universities/Colleges (LUCs), ten State Universities and Colleges (SUCs) and 66 private colleges/universities.

In the same period, eight Center of Excellence (COEs) and 16 Center of Development (CODs) on various disciplines were awarded to seven SUCs/HEIs in the region.

The number of HEIs with accredited programs reached 20 (15 private and 5 SUCs), only 91 percent of the plan target (22). Overall, the region has a total of 129 accredited and reaccredited programs with majority of the HEIs earned both the Level I and II accreditations, followed by Level III.

To ensure provision of responsive and quality higher education, a total of 402 programs were monitored. This is significantly higher by 32 percent than the previous SY of 304.

Total tertiary enrollment in the region during SY 2010-2011 reached 124,842. Of this total, 39.8 percent (49,637) were served by public HEIs, while 60.2 percent (75,205) were served by private HEIs. This is higher by 5.6 percent and 3.3 percent from the previous school year and plan target, respectively. This can be attributed to additional courses offered by various HEIs in the region.

Among the various disciplines, Business Administration ranks first with the most number of enrollees (25,503 and 20.4% of the total), followed by Education and Teacher Training (18,670 and 15.0%), Engineering and Technology (16,281 and 13.0%), Medical and Allied Sciences (15,645 and 12.5%), and Information Technology-related (10,966 and 8.8%).

Insufficient income of families remains to be the biggest challenge of the sector that hinders access to tertiary education. On the other hand, the shift/movement of students to TVET courses, which continue to entice wider and various opportunities for foreign employment is another area that need strong collaboration along intensifying equivalency and ladderization programs between the TVET and HE sectors.

As to geographical distribution, Cagayan de Oro remains to have the highest number of enrollees (37.5%), followed by Bukidnon (20%), Iligan (15%), and Ozamiz City (9%). Likewise, Cagayan de Oro accounted the highest number of graduates produced (28.2%),

followed by Iligan City (25.1%), Bukidnon (21.6%), and Ozamiz City (12.6%). For SY 2009-2010, the region registered a total of 21,296 graduates or an increase of 11.9 percent compared in the previous SY.

There are a total of 22 various scholarship/grant programs implemented in the region categorized as Scholarship (10), Grant-in-Aid (11), and Study Loan (1). For SY 2010-2011, a total of 1,176 grantees including the 313 new or 26 percent of the total grantees were served. Of the total, 31 percent (367) are males, while 69 percent (809) are females. Under the SSGP-CD/PDAF1 grants, for SY 2010-2011 a total of 135 slots were allocated and added to the 2,342 ongoing scholarship grants for Region 10. The top three Districts in terms of share to the total slots are the 1st District of Bukidnon (31.5%), 2nd District of Misamis Oriental (28.6%), and the Lone District of Camiguin (8.2%).

*Health, Nutrition and Family Planning.* Most of the health indicators in the region showed improvements between 2009 and 2010. However, these were still behind the plan targets in 2010 indicative of the continuous struggle to improve and expand health service delivery particularly to the disadvantaged sectors. With only five years left for the achievement of the MDGs, the health sector has to be prioritized in terms of financing and convergence of efforts and resources.

Maternal and child care programs were vigorously pursued during the year. Although a little lower than the plan target, maternal mortality rate drastically reduced from 0.94 per 1,000 livebirths in 2009 to 0.59 in 2010. Despite the reduction in maternal deaths, the coverage of pre and post natal care remained low and below the plan and MDG targets. Intensive advocacy and expansion of coverage in terms of maternal health care services have to be vigorously pursued at the local level. Meanwhile, the contraceptive prevalence rate in 2010 was 60.32 percent, much higher than the previous year's level of 43.75 percent. This was attributed to the MNCHN grant to all LGUs which provided funding in the purchase of FP/NFP commodities, and the continuous training among nurses and midwives on FP/NFP at the local level.

The slight increase in infant mortality between 2009 and 2010 from 7.2 to 7.87 per 1,000 livebirths requires full immunization coverage, addressing the poor-seeking behavior of parents, inclusive breastfeeding, improving pre and post natal care coverage, continuing capability building of service providers on the integrated management of childhood illnesses, intensifying IEC on maternal and child health, and adopting the two-way referral system among RHUs/BHS and hospitals.

Access to safe water slightly surpassed the plan target due to LGUs' continuing chlorination, supervision and monitoring of sanitary inspectors on water potability and strict adherence to the environmental sanitation code. Meanwhile, access to sanitary toilet facilities is below the plan target but already surpassed the MDG target by 2015.

There is a continuing intensive partnership and collaboration between the Department of Health, the LGUs, and private sector organizations in the implementation of Comprehensive and Unified Policy (CUP) for Tuberculosis (TB) Control in the Philippines.

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<sup>&</sup>lt;sup>1</sup> CHED Special Study Grant Program for Congressional Districts

Region 10 was able to reach a TB cure rate of 94 percent in 2010, surpassing the standard target of 90 percent.

As of 2010, there are 1,145 Botika ng Barangays (BnB) established, an increase of 159 from the 2009 level (986) and higher by 131 than the plan target of 1,014. Accessibility and availability of safe, quality, low-priced generic drugs helped in providing better health services, particularly in the marginalized, underserved and hard to reach areas.

Except for nurses and midwives, gaps in terms of health personnel to population ratio particularly for government physicians and dentists continue to persist in the region. Meanwhile, the region has 184 hospital facilities (110 are government and 74 are privately owned and managed) with a total of 19,731 bed capacity. The estimated bed to population ratio is 1;22,094.

Meanwhile, health insurance coverage continues to surge. With the intensive implementation of various marketing strategies and the support of LGUs through sponsorship of indigent families, total membership reached 1,355,725 in 2010. PhilHealth has accredited 102 hospitals, 42 MCPs, 42 TBDOTs, 87 rural health units and 1,182 health professionals.

Housing. The region continues to provide safe and affordable housing and ensure security of tenure especially among low-income families. The housing sector accomplished 62.6 percent of its total housing provision target or 3,022 accomplished housing units of the 4,824 targeted units in 2010. Socialized housing has not reached half of its target at 43.3 percent. In contrast, economic housing has exceeded its target by five percent. This is indicative of low affordability of lower income groups which reduced the demand for housing. In terms of housing units provided, socialized housing comprised 47.5 percent of the total units, with economic housing at 52.5 percent. In terms of loan value released, 16.6 percent and 83.4 went to socialized housing and economic housing, respectively.

Most developers shied away from investing into socialized housing because of the spiraling costs of construction materials, labor and the ever increasing land prices. Also, most socialized housing projects are limited to mere compliance of the provision of the Urban Development and Housing Act (RA 7279) in which developers are obliged to allocate/develop 20 percent of their economic housing area or cost for socialized housing. Pag-IBIG through its Retail Lending is still the top contributor in housing provision which accounts to 79 percent of the total accomplishment and 48 percent of the total target.

The Community Mortgage Program (CMP) intended for low-income earners has a total of 13 associations with an aggregate number of 1,782 families that have already enrolled and are on different stages of application for housing projects. The loan value of these projects is estimated at PhP137 million. The Resettlement Program of NHA, another program for low income earners has one project in region which is to be approved by its management. This is located in the PHIVIDEC area with costing of PhP40 million for 1,025 units.

Pag-IBIG has likewise continued their strong partnership with the private sector through financing the units being developed by private developers. It extended developmental loans for the year in which PhP23.3 million was released from the PhP192 million that was approved.

Along regulation and planning, HLURB has issued a total of 200 permits which is 113.97 percent above their target. Development permits and Licenses to Sell were issued to

condominium projects in Cagayan de Oro City. Also, of the 34 Comprehensive Land Use Plans (CLUPs) targeted for review and approval, 75 CLUPs were reviewed and approved, posting a 220 percent accomplishment.

In ensuring the security of tenure for low-income families, the HUDCC/Pre Proc Committee conducted CSW and endorsed to its central office three proclamation applications. The HUDCC central office has likewise endorsed these to the Secretary of DENR. The President has yet to issue said Presidential Proclamations. Meanwhile, a bill for the creation of Department of Housing is filed anew with the latest Congress. It intends to have a single focused government agency that should synchronize, coordinate and implement the country's shelter programs nationwide.

**Social Welfare Services.** Convergence of the three key poverty reduction programs of the government: Pantawid Pamilyang Pilipino Program, KALAHI-CIDSS, and SEA-K intends to maximize the impact of poverty reduction programs though an effective targeting system and a holistic community development approach.

The list of poor households generated from the National Household Targeting System for Poverty Reduction serves as the priority target beneficiaries of various government programs. In 2010, a total of 73 municipalities with 561,411 households were enumerated under the system. A total of 39,375 on-demand applications were received from the identified areas in Bukidnon, Camiguin and Misamis Oriental to provide opportunity to households who were not assessed during the regular enumeration. The significant demand-side pressures on schools and health facilities for the beneficiaries to meet the conditions and receive the cash grants were assessed and addressed.

A total of 87,996 4Ps beneficiaries received cash grants for their health and education needs. The program has expanded in 42 municipalities and three cities in the region including the newly validated expansion barangays.

The KALAHI-CIDSS in the region continues to empower communities through enhanced participation, local governance, transparency and accountability in community projects supportive to poverty reduction. A total of 30 municipalities with 105 communities have been added as expansion areas nationwide which included the municipalities of Kapatagan and Lala in Lanao del Norte and Bonifacio and Sinacaban in Misamis Occidental. The Makamasang Tugon, which harmonizes the Community Driven Development approach of KALAHI-CIDSS in the Local Planning Process of the local government, is implemented in the areas of Lopez Jaena and Concepcion in Misamis Occidental and Bacolod in Lanao del Norte. All of these municipalities are old KALAHI-CIDSS areas.

Under the livelihood strategies, SEA-K program benefitted a total of 65 associations with cash assistance amounting to PhP10.181 million to promote the well-being of 1,841 beneficiaries. The rollback remittances recovery rate of the program was 77 percent. Likewise, there were 38 livelihood programs funded under the DOLE Kabuhayan Program with a release of PhP10.093 million benefitting 2,995 workers in the informal and formal sectors.

The delivery of basic socio-economic services to IPs was intensified through the provision of financial assistance on traditional craft projects (e.g. mat weaving and necklace-accessories making), carabao dispersal and the establishment of training center for socio-economic services and sustainable development – Phase I. The IP clients were also given

educational scholarships and assistance on legal matters including the facilitation of the free, prior and informed consent (FPIC) issues and land disputes between conflicting parties. There are four on-going ADSDPP formulation in the region while coordination with the concerned LGUs for the integration of the ADSDPP in the local plans are strengthened. The tribes of Higa-onon and Subanen in selected areas in the region were assisted in the delineation and recognition of ancestral lands and domains.

The protection of the rights and welfare of formal and informal workers was vigorously intensified through the establishment of linkages and convergence with other institutions to strengthen areas of cooperation with its partners from the LGUs, OFW groups, religious sector, academe, hospital/medical institutions, tri-media and other government and private entities.

As the government's simple of way of recognizing OFW's valuable contribution in keeping the economy afloat, the government strengthened the worker's reintegration program by providing various types of capability and skills training to improve quality of life, granting livelihood loan and financial package, maintaining family relationship while the OFWs are away from their family and preparing them for their return.

### d. Infrastructure Development

The infrastructure sector in the region continues to play a crucial role in stimulating economic and social development activities. The ongoing construction of the Laguindingan Airport further increased the prospects for business opportunities in the region.

**Transportation.** In 2010, DPWH-10 implemented various infrastructure programs and projects. There were 751 projects planned for implementation in 2010. About 65.0 percent (489 projects) of these projects were completed while 17.71 percent (133 projects) are ongoing and approximately 17.18 percent (129 projects) have not yet started implementation. The total funding released for the period amounted to about PhP 5.10 billion. Actual weighted physical accomplishment as of December 2010 is 67.20 percent, slightly surpassing the target by 1.18 percentage points. Road right-of-way (RROW) acquisition remains a major challenge in the implementation of roads and bridges projects.

DPWH-10 is also continuously implementing high impact projects under its Regular Infrastructure Program such as the Completion/Continuation of Cagayan de Oro (CDO) 3<sup>rd</sup> Bridge and Access Road (Construction of Cagayan de Oro City By Pass Coastal Road), Iligan City Circumferential Road (C-3), Construction of Ozamiz City Bypass Road, Mindanao East-West Lateral Road (Bukidnon-Iligan Road) and Kapalong-Talaingod-Valencia Road (Sitio Kalagangan-San Fernando Proper-Valencia Proper Section). Key infrastructure support projects were also implemented such as farm to market roads, school buildings, disaster mitigation and flood control.

One of the major flagship projects of the region is the PhP7.853 Billion Laguindingan Airport Development Project. The airport is targeted to be operational in 2012. The current developments are the contract packaging and procurement of the Air Navigation System and Support Facilities for the airport. The estimated cost of this component is PhP708.14 million to be funded by the Korea Export and Import (KEXIM) Bank.

Construction activities for the main civil works (buildings and runway) are still ongoing. Actual physical accomplishment is at 75.09 percent as of December 2010, which is slightly ahead of schedule by 1.30 percentage points.

Along ports modernization, various projects have been implemented by the Philippine Ports Authority (PPA) to upgrade facilities in the ports of Cagayan de Oro, Iligan, Ozamiz and Balbagon in the island of Camiguin. The projects include passenger terminal building improvement, maintenance of port physical facilities and equipment.

The Mindanao Railway System - Cagayan de Oro-Iligan Corridor (CIC) Project is one of the priority projects of the region. The project has already been endorsed by the Regional Development Council (RDC-10) through Resolution No. 80 (s. 2009). The ongoing revision of the Feasibility Study (FS) from ODA funding source to PPP/BOT modality, is being undertaken by the Department of Transportation and Communications (DOTC).

Recent developments include coordination activities by the Mindanao Railway Project Office (MRPO) with concerned LGUs and conduct of survey of the railway alignment. In Congress, various proposals were made specifically on the creation of the Mindanao Railways Corporation. DOTC is likewise coordinating with financial institutions for the funding requirements of the project.

**Power and Electrification.** The region has a power generation mix of hydro with about 74 percent share equivalent to 588.75 megawatts; coal fired with 26 percent share equivalent to 209 megawatts; and photovoltaic sharing 0.13 percent or equivalent to 1 megawatt.

The region almost achieved its plan target of 100 percent barangay energization by December 2010, if not for the lone barangay in Damulog, Bukidnon. A total number of 1,936 barangays or 99.95 percent of the total potential 1,937 barangays has been provided with electricity. Additional 66 barangays in Lanao del Norte were connected with electricity as of December 2010 compared to the 1,870 barangays in 2009.

Along power transmission development, three projects are being implemented by the NGCP under the Mindanao Backbone Transmission Development Program with a total cost of PhP 9.483 billion – Abaga – Kirahon 230 kV Transmission Line (ongoing), Kirahon – Maramag 230 kV Transmission Line (ongoing) and the Maramag – Bunawan 230 kV Transmission Line (completed in October 2010).

Communications. Despite the advent of advanced technology, postal services continue to provide reliable means of communication throughout the region. In 2010, PPC recorded a 10.21 percent increase in its revenue from PhP72.38 million in 2009 to PhP79.77 million in 2010. Government agencies such as PhilHealth, SSS, GSIS, CSC, DA and DAR rely mainly to the services of PPC for its mailing requirements of various documents. Postal stations are still maintained by PPC throughout the region. There was an addition with the opening of a mail post office in Limketkai Mall, Cagayan de Oro.

Along telecommunications, there are currently 13 local exchange carriers in the region. In 2010, there were 160,349 equipped telephone lines in the region, 7.90 percent higher compared to the total number of equipped lines in 2009. Only about 48 percent or 76,194 equipped telephone lines were subscribed with 84,155 equipped telephone lines still open to subscription. More telephone users prefer to use cellular phones than the telephone

landlines. As of the period, the telephone density is at 1.80 lines per 100 persons for subscribed telephone which is below the plan target of 2.21 lines per 100 persons.

In 2010, there were 1,091 Public Calling Offices (PCOs) in the region that provided calling capability to low telephone density areas in rural barangays. Additional PCOs were installed in the provinces of Lanao del Norte (22 PCOs), Misamis Occidental (11 PCOs) and Misamis Oriental (6 PCOs). There are 532 mobile phone cellular sites in the region as of December 2010.

Water Supply. There are 20 operational water districts in the region, with the addition of Quezon Water District in the province of Bukidnon. Six new water districts reported in 2010: three in the province of Bukidnon (Cabanglasan, Damulog and Malitbog), two in Misamis Oriental (Tagoloan and Laguindingan) and one in Misamis Occidental (Sapang Dalaga) are still waiting to start operations.

The region has still 28 municipalities considered "waterless." Waterless municipalities are defined as municipalities with less than 50 percent of their households are without water service coverage. To address this concern and in pursuit of the Millennium Development Goal (MDG) target to halve, by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation, a joint project on enhancing access and provision of water services with the active participation of the poor is being implemented by the government and the United Nations.

*Irrigation Development.* The level of irrigation development in Region 10 as of December 2010 reached 46.2 percent of the potential irrigable area of 123,272 hectares. This is below the 2010 plan target irrigation coverage of 68 percent of the potential irrigable areas. The National Irrigation Administration (NIA) reported a total of 61 irrigation projects regionwide, 40 of which have already been completed and 10 are ongoing.

**Disaster Mitigation**. A disaster management program for Camiguin is being implemented to mitigate the damage caused by disasters such as flood and debris flow through the construction of Sabo dams and reconstruction of the Hubangon Bridge This PhP 495.0 million grant project is funded by the Japan International Cooperation Agency (JICA). It is targeted to be completed by July 31, 2011.

Classroom Construction. For CY 2010, the Department of Education (DepEd-10) constructed a total of 30 new classrooms under its School Building Program (SBP) with total estimated project cost of about PhP24.542 million. DPWH-10 likewise implemented the construction of school buildings under the SBP funded by DepEd. In 2010, 18 school buildings were completed by DPWH-10, 25 are still ongoing and four are still to be constructed. Funding allocation for the school building construction amounted to PhP46.98 million.

### e. Governance and Peace and Order

### Governance

Some LGUs in the region received national recognition for good governance practices. The Seal of Good Housekeeping which carried with it a PhP1 million cash prize, was awarded to Naawan (Misamis Oriental), Damulog (Bukidnon), and Clarin (Misamis Occidental), for excelling in the areas of planning, budgeting, revenue mobilization, financial management, and budget execution.

The national *Lupong Tagapamayapa* Incentives Awards (LTIA), gave recognition to *Barangay Kalasungay* of Malaybalay City (2nd runner-up, component cities category) for the promotion of *katarungang pambarangay* or *barangay* justice system.

<u>Development Planning</u>. The Regional Development Plan (RDP) was completed and approved by the RDC in December 2010. The planning guidelines emphasized results orientation in the plan. The RDP, 2011-2016 is consistent with the broader spatial development perspective for Mindanao as contained in the Mindanao Strategic Development Framework. It also supports the national development agenda of poverty reduction and job generation as contained in the Philippine Development Plan, 2011-2016. Also, agencies further stepped up advocacy for mainstreaming disaster risk reduction and climate change adaptation (DRR-CCA) in sub-national development and land use planning.

Accountability and Transparency. More LGUs are complying with the public disclosure policy, 42 out of 98 LGUs through publishing in their website or posting in conspicuous places their annual budgets and other financial documents.

Revenue and assessment audits were conducted for 29 LGUs. Posting of Citizen Charters were also complied with by 93 out of 98 LGUs. The program on Business Permits and Licensing System (BPLS) reforms was launched and the region's three major cities Cagayan de Oro, Iligan, and Malaybalay are in various stages of improving their business licensing system in order to shorten processing time.

Except two municipalities, all provinces, cities, and municipalities were able to report their accomplishment (State of Local Governance Reports— SLGRs) using the Local Government Performance Management System (LGPMS).

The 25 percent private sector participation requirement was adhered to in the reorganization of regional and local bodies. At the RDC, aside from the 27 percent PS/NGO membership, the private sector is welcomed to sit in its four subcommittees.

On Volunteerism. The region produced two national winners in the Search for Outstanding Volunteers. Meanwhile, a regional symposium was conducted to promote region-wide awareness on volunteerism. The activity was replicated in Iligan City by MSU-IIT.

<u>Productivity and Efficiency</u>. Two Civil Service Career Examinations were conducted for 9,765 examinees, or 22 percent more than target, and 283 various eligibilities for civil service were granted.

The DILG organized a Capacity Development Expo 2010, a venue for information sharing and linkaging for capacity development for local governance, attended by some 287 representatives from LGUs, NGAs, NGOs, academe, and local resource institutions.

Local skills on management of infrastructure projects were exercised through implementation of projects such as the Provincial Road Management Facility (PRMF) in Bukidnon, Misamis Oriental, and Misamis Occidental.

Also, the Human Rights Based Approach (HRBA) to planning was introduced through training of trainors and series of follow-through trainings. More extensive advocacy and skills training on this approach is expected to follow.

Under the MDGF 1919 program, eight municipalities started trainings towards "enhancing access to and provision of water services with the active participation of the poor." They also received computer hardware for use in project implementation.

Aside from the PRMF, other projects implemented in the countryside included: the PhP19.8 million Kapatagan Public Market, the PhP48.3 million Kapatagan Integrated Bus Terminal with Commercial Complex, and the PhP33 million Tudela Public Market. Completed this year was the PhP74M Claveria Water System.

Progress is being made in the implementation of the Community-Based Management System (CBMS), a tool to enable LGUs to produce more reliable household level data and small area statistics. Seven out of the nine cities and 50 out of the 84 municipalities in the region have completed data processing and digital mapping phases (Module III) of the system.

Government financial institutions, under the Strengthened Unified Lending Opportunities for National Growth (SULONG) continue to allocate funds for SMEs. Loans granted by DBP to MSMEs increased from 8.69 percent of the total portfolio in 2009 to 12.10 percent in 2010. Total loans granted to MSME borrowers in the region rose to PhP263 million from PhP223M.

<u>Decentralization and Autonomy.</u> LGUs continue to be equipped with skills on hardware management for improved revenue generation. Forty-six LGUs underwent trainings on updating of their local revenue code, while 98 LGUs held clinics on the preparation of their electronic statement of Receipts and Expenditures (eSRE). Records show that LGUs' collection efficiency was highest for receipts from economic enterprises (117%), and followed by real property tax (89%).

The newly elected officials down to the barangay level underwent a series of orientations and trainings as the usual practice of DILG and other oversight agencies.

### Peace and Order and Public Safety

<u>Crime situation.</u> Crime volume in 2010 was 61 percent lower than in 2009. Crime solution efficiency remained low at 8.2 percent, although this was 1.7 percent better than the previous year.

Labor-management relations remained satisfactory, with only six mediation-arbitration cases handled. Seven cases were handled in 2009. The Single Entry Approach (SENA) was adopted and the Efficiency and Integrity Board (EIB) desks established in all DOLE provincial field offices to encourage amicable settlement and speed up resolution of all cases affecting workers and employees.

<u>Peace and Order Councils.</u> The newly reconstituted Regional Peace and Order Council (RPOC) has officially nominated Hon. Governor J.J. Romualdo of Camiguin as Chair, and Hon. Governor A.P. Calingasan of Bukidnon as Vice-Chair. All LGUs have also reorganized their respective provincial/city/municipal peace and order councils.

In Misamis Oriental, a MOA signed between the province and the AFP stipulates a formal turnover of internal security operations from the Armed Forces of the Philippines (AFP) to the provincial government of Misamis Oriental, leaving the tactical part of the anti-insurgency campaign with the AFP. The collaborative effort between the military and the local government was lauded by Hon. Loretta Ann P. Rosales, Chair of the Commission of Human Rights as it opens a lot of avenues for dialogue.

<u>Community resilience against disasters.</u> To spearhead policy formulation at the regional level along climate change adaptation, a Special Committee on Climate Change under the Regional Development Council (RDC) was created with the Department of Environment and Natural Resources as the Chair and the Department of Science and Technology (DOST) as Vice-Chair with members from government agency/institution, academe, and the private sector.

Fourteen Disaster Risk Reduction and Management Councils were organized/reorganized in the five provinces of the region. Eight disaster control (DCG)/ disaster action teams (DAT), and private volunteer groups (PVG) were also organized in Cagayan de Oro, Gingoog, Baroy and Kapatagan in Lanao del Norte, and Valencia in Bukidnon.

The DENR completed geo-hazard assessment in 80 percent of barangays in the region, identifying tsunami, landslide, and flood-prone areas in the region.

Identification of 36 primary and alternate evacuation centers in Lanao del Norte and Iligan City, inspection of ten critical buildings and vital infrastructures in Misamis Occidental and Ozamiz City, and disaster simulation earthquake and fire drills involving more than 40,000 participants were undertaken as part of the preparation phase of DRR management.

The table below shows the priority action areas that need to be addressed, resolved and/or sustained in the succeeding period. These are identified based on the performance assessment of the sectors and are aligned with the current national and regional agenda of attaining an inclusive growth.

Sector	Priority Action Areas
Macroeconomy	Sustain high economic growth
	Reduce poverty incidence and income inequality
	Create more jobs
	Increase tax collection and local revenue generation
Economic	Agriculture and Fisheries
	<ul> <li>Intensify agriculture and fisheries-support infrastructure, facilities and services (from production to marketing) to improve farm productivity and income of the farmers</li> </ul>
	<ul> <li>Promote alternate staple foods and support innovations along fishery (i.e. mariculture)</li> </ul>
	<ul> <li>Intensify technology transfer, extension support, trainings, and R &amp; D to ensure sustainability and competitiveness of the sector</li> </ul>
	Agrarian Reform
	Pursue land distribution until 2014 as mandated by law (RA 9700)
	Continue providing technical assistance to ARCs for the duration of CARP extension
	Environment and Natural Resources
	Pursue implementation of the National Greening Program
	Sustain efforts in protecting the NIPAS sites
	Continue mangrove reforestation
	Sustain compliance to national standards in air and water quality
	<ul> <li>Facilitate compliance to RA 9003 (Ecological Solid Waste Management Act) particularly, in establishing operational sanitary landfills as replacement to the open dump sites</li> </ul>
	Ensure responsible mining
	Trade and Industry
	<ul> <li>Continue to support the development of the micro, small and medium enterprises through comprehensive assistance and services that include increasing productivity, improving access to financing and expanding markets, among others</li> </ul>
	<ul> <li>Entice investors by creating a business-enabling environment through implementing reforms against red tape and corruption and strengthening institutional support mechanisms (i.e. NERBAC, CIQS Consultative Committee, One-Stop Export Documentation Center, etc.) that facilitate trading, financing and marketing for investors.</li> </ul>
	<ul> <li>Improve the competitiveness of exporters through the provision of timely and accurate market information particularly on foreign buyers, their products of interests, market guides, and market requirements by potential markets, pricing mechanisms and other export-related information</li> </ul>
	<ul> <li>Increase export receipts by providing technical assistance to exporters in improving product quality and packaging that affect the competitiveness of local products</li> </ul>
	<ul> <li>Pursue industry clustering as a strategy to assist the MSMEs in improving their business viability</li> </ul>
	Tourism
	Strengthen the tourism hub concepts by institutionalizing tour packages and collaterals

Sector	Priority Action Areas
	Entice more private sector investments along primary & secondary
	<ul> <li>tourism enterprises</li> <li>Reinforce licensing and accreditation of tourism facilities through the full</li> </ul>
	implementation of the Tourism Act of 2009
	Ensure quality service providers in the operation of the Laguindingan     Airport
	Strengthen collaboration in planning and promoting tourism investments and destination areas
	Promote affordable and standard tourism complementary products
	Increase accessibility to key tourist destinations
	Science and Technology
	Intensify information drives/caravans to the different provinces in the region particularly on science & technology scholarships.
	Strengthen science and technology related subjects in basic education to increase the S&T scholarship qualifiers
	<ul> <li>Increase access /availment and utilization of R&amp;D funds/investments from various sources</li> </ul>
	<ul> <li>Provide support to the industry, particularly MSMEs, by ensuring a broadened access to available technologies and technological services</li> </ul>
	<ul> <li>Promote and popularize S&amp;T to impress upon the people its relevance and necessity</li> </ul>
	Accelerate technology transfer and utilization, which could be done through maintenance of inventory of available technologies and their sources and providing incentives to encourage the transfer and commercialization of these technologies, and extensive collaboration between academe and industry
Social	Early Childhood and Basic Education
	Access and Equity
	Expand and advocate for participation to early childhood care and education
	Enhance access for children with special needs and children from IP groups
	Intensify the delivery and expand the coverage of the Alternative Learning System services
	Forge partnerships (public-private, public-public) for increased investments in basic education
	<i>Efficiency</i>
	<ul> <li>Undertake continuing capacity building program for school administrators and teachers</li> </ul>
	<ul> <li>Integrate health and education services to improve school participation and retention, particularly in the poorest areas</li> </ul>
	Quality
	Higher investment in basic education to close the classroom gaps and      Travida other page approach advection investor (tage) are dealered.
	provide other necessary education inputs (teachers, desks, etc)
	<ul> <li>Better targeting to benefit poorest and where shortages in physical facilities, teachers, and instructional materials are most evident</li> </ul>
	Maximize the contribution from local government units
	Regular review and updating/ enrichment of curriculum
	Intensify remedial interventions to improve teacher and student performance
	Intensify and enhance ICT programs both at the elementary and secondary levels
	Strengthen the implementation of RA 9165, otherwise known as the Comprehensive Dangerous Drugs Act of 2002

Sector	Priority Action Areas
	Technical Vocational Education and Training
	Improve competence and employability of TVET graduates
	Compliance to TESDA's requirements/standards to ensure continuing
	quality improvement in TVET provision
	<ul> <li>Improve quality provision to TVET through strengthened Industry –TVET – LGU linkage, including enterprise-based training</li> </ul>
	Intensify competency assessment and certification
	Improve equity and access for TVET beneficiaries
	<ul> <li>Increase awareness of TVET programs and ensure matching of skills and jobs</li> </ul>
	Higher Education
	Quality and Excellence
	Improve the quality of HEIs programs and graduates to match the demands of domestic and global markets
	<ul> <li>Strict enforcement of standards and evaluation of HEIs through rigorous and transparent system for autonomous and deregulated status, COEs and CODs' programs</li> </ul>
	<ul> <li>Promote S&amp;T including ICT to improve productivity and competitiveness of the sector</li> </ul>
	Relevance and Responsiveness
	<ul> <li>Expand alternative learning systems/modalities of higher learning</li> </ul>
	<ul> <li>Strengthen research and extension activities in SUCs and HEIs</li> </ul>
	Access and Equity
	<ul> <li>Broaden the access of economically and socially disadvantaged groups to higher education and rechanneling some public resources directly to students to promote greater purchasing power and freedom of choice of educational opportunities</li> </ul>
	Efficiency and Effectiveness
	<ul> <li>Rationalize governance and financing higher education in a manner that would unleash institutional creativity and entrepreneurship</li> </ul>
	Health, Nutrition and Family Planning
	<ul> <li>LGUs to fast track the upgrading of their health facilities to provide Emergency Obstetric and Newborn Care (EmONC) in order to deliver an integrated health service package vital to the reduction of infant, maternal and child mortality;</li> </ul>
	Strengthen the implementation of Maternal, Neonatal and Child Health and Nutrition (MNCHN) to address health risks that lead to maternal and neonatal deaths
	Strengthen linkage with private sectors to expand coverage of CUP-TB Control in the region
	<ul> <li>Intensify advocacy on Responsible Parenting and Natural Family Planning (RP/NFP) and other reproductive health programs</li> </ul>
	<ul> <li>Continue to establish and sustain the implementation of Botika ng Barangays (BnBs) for a wider access to safe, effective and low-priced generic medicines</li> </ul>
	LGUs to fully adopt the World Health Organization – Child Growth     Standards to ensure achievement of the MDG target on the reduction of prevalence of underweight children 0-5 years old
	Intensify advocacy and expand coverage/supply of iron fortified rice along with the implementation of FAITH (Food Always in The Home), G4 (Garden of Go, Grow and Glow Foods) and related projects on backyard/community/school fruit/vegetable gardening; small animals (native chicken, ducks, quail) and backyard fish pond food production; and household food processing and cooking activities, among others, to

Sector	Priority Action Areas
	address food and nutrition security in the region
	<ul> <li>Sustain high level of health insurance membership/coverage through aggressive marketing campaign and LGU sponsorship for indigent families</li> </ul>
	Pursue and sustain more health insurance benefit packages
	Increase financing/resource allocation by the LGUs for basic social services including health, nutrition and family planning
	Housing
	Implement the IRR of the Magna Carta for Homeowners' Association
	<ul> <li>Establish HLURB action/service desks in Zamboanga and Butuan cities, to make their presence felt in the regional areas left off by their merger</li> </ul>
	<ul> <li>Upbeat real estate development with the growing market for condominiums and housing projects</li> </ul>
	<ul> <li>LGUs to take an active stance in initiating/partnering with private sector into housing projects, including resettlement, with the Pag-IBIG's revision and relaunching of LGU Pabahay</li> </ul>
	<ul> <li>Pursue a stronger partnership with the Congressmen's Local Housing Fund</li> </ul>
	Fast track processing, approval and release of loans through the relaxation of some CMP requirements
	<ul> <li>Encourage the establishment of Local Housing Board in all LGUs and formulate Shelter Plans in key cities and urbanizing LGUs</li> </ul>
	<ul> <li>Intensify IEC on various housing programs and strengthen baseline data on housing in all LGUs</li> </ul>
	<ul> <li>Intensify capability development program for implementation of LGUs housing programs/projects, and to urban poor associations and families/communities affected by government projects and land dispositions along social preparation</li> </ul>
	<ul> <li>Continue the Resettlement Program or fund support for families in danger or risk areas and those affected by calamities, and government programs and projects</li> </ul>
	Continue the Slum Upgrading/Asset Reform Program for lands proclaimed as socialized housing sites
	<ul> <li>Develop a) idle properties under joint venture (JV) arrangements or Public Private Partnership; b) areas under Presidential Proclamation into resettlement sites</li> </ul>
	Adopt green technologies in housing projects
	Fast tract housing development for AFP and PNP
	Ensure cost recovery of housing investment
	Social Welfare
	<ul> <li>Fast track passage of House Bill Nos. 7778 &amp; 2138 (Kasambahay Bill) which provide, among others, additional benefits and protection to household workers</li> </ul>
	<ul> <li>Fast-track validation of survey and monitoring results for the inclusion and exclusion of 4Ps beneficiaries</li> </ul>
	Strictly monitor the beneficiaries' compliance to 4Ps' conditionalities;
	<ul> <li>Specify the roles and responsibilities of the partner agencies to ensure availability of supply on health and education needs of the beneficiaries as main conditionalities of 4Ps</li> </ul>
	Strengthen partnership of implementing agencies with other major stakeholders (e.g. LGUs and RLAs) on social protection programs
	Strengthen and improve reintegration of developmental programs, services and resources for OFWs/returning migrants and their families
	Conduct regular assessment of social protection programs

Sector	Priority Action Areas
Strengthen multi-stakeholder partnership and convergence in IP	
development;	
	Integrate ADSDPP with the LGUs' Development Plan
	Clarify institutional arrangements to ensure that lines of authority and accountability, including administration and services are in place
Infrastructure	Road Transportation
	Prioritize paving of unpaved national arterial and secondary roads and rehabilitation of damaged paved roads along national and secondary roads
	<ul> <li>Fast track the rehabilitation and widening of the Iligan-Cagayan-Butuan Road (Iligan-Laguindingan-Cagayan de Oro Section) and the Sayre Highway, Bukidnon – Davao Road</li> </ul>
	Fast track implementation of the Panguil Bay Bridge Project
	Fast track construction of the Alae-PHIVIDEC Bypass Road, widen existing roads into 4 lanes and improve geometric design and vertical and horizontal curves
	<ul> <li>Prioritize construction/improvement/rehabilitation of bridges along national and secondary roads</li> </ul>
	Improvement of roads leading to designated strategic tourism destinations
	Facilitate/fast track implementation of FMR projects
	Compliance to the accessibility law (BP 344) in the implementation/construction of buildings and related structures
	Upgrading of national and local roads to address traffic congestion and safety in urban centers
	Air Transportation
	Fast track the completion of the Laguindingan Airport Development     Project
	Sea Transportation
	Enhance berthing facilities and provide additional seaport facilities to handle increasing volume of cargoes and ship calls
	Maximize utilization of the Mindanao Container Terminal Port
	Seaport development (construction of Laguindingan Commercial Seaport)
	Rail Transportation
	Fast track implementation of the Cagayan de Oro-Iligan Corridor Rail     System Project
	Communication
	Improve communication inter-connectivity and enhancement of the ICT subsector
	Water Resources
	Improve/expand/ensure adequate source of water supply to serve all levels
	<ul> <li>Hasten the provision of potable water supply projects to identified waterless municipalities and communities</li> </ul>
	<ul> <li>Improve the level of irrigation development through the provision of adequate irrigation system facilities in production areas</li> </ul>
	Prioritize flood control projects in major and principal river basins to address climate change based on masterplan and adopting new technologies in flood control and slope management
	Power Generation, Transmission and Distribution
	Encourage private sector investments along power generation
	Enhance capacities of hydro power plants through sustained forest protection, enforcement of forest laws and plantation establishments
	Improve the power transmission and distribution systems to ensure stable

Sector	Priority Action Areas
	and quality supply of energy to support development
	Social-related Infrastructure
	Prioritize construction of disaster-resilient classrooms
	Improvement/construction of health facilities to improve accessibility to
	health services
Governance	Monitor plan implementation
	Improve accountability and transparency in government
	- Implement the public disclosure policy
	- Implement R.A. 9184- Government Procurement Reform Act
	<ul> <li>Conduct financial and personnel assessment audits of departments and LGUs</li> </ul>
	- Maintain the posting of service procedures and standards
	<ul> <li>Intensify implementation of the business permits and licensing system reforms</li> </ul>
	<ul> <li>Continuous improvement of reporting of accomplishment</li> </ul>
	<ul> <li>Ensure and promote private sector/civil society participation in governance and volunteerism in community development</li> </ul>
	Improve productivity and efficiency of workforce
	<ul> <li>Continue professionalization and capacity building of the Civil Service</li> </ul>
	<ul> <li>Intensify information sharing and replication of good practices</li> </ul>
	<ul> <li>Promote workers' welfare (education, health and safety) and implementation of minimum wage</li> </ul>
	<ul> <li>Upgrade ICT skills and facilities in government offices</li> </ul>
	Enhance capacity to bring about inclusive/equitable growth
	<ul> <li>Intensify implementation of projects for basic services and rural infrastructure</li> </ul>
	<ul> <li>Improve targeting of project beneficiaries especially along social safety nets</li> </ul>
	- Intensify support to MSMEs
	- Monitor achievement of the Millennium Development Goals
	<ul> <li>Continue mainstreaming GAD, POPDEV, HRBA in the development process</li> </ul>
	Promote decentralization and greater autonomy of local governments
	<ul> <li>Strengthen planning, budgeting, and investment programming among LGUs and department regional offices</li> </ul>
	<ul> <li>Intensify efforts to mainstream disaster risk management/reduction and climate change adaptation measures in all levels of governance</li> </ul>
	<ul> <li>Strengthen LGU capacity in local revenue generation and access to ODA funding</li> </ul>
	Maintain public safety and promote a culture of peace
	- Enhance police manpower visibility and capability
	- Maintain harmonious labor-management relations
	- Improve justice system down to barangay level
	Involve the private sector and communities in peace and order activities

## The Macroeconomy

### a. Gross Regional Domestic Product

### **Overall Level and Growth**

At PhP73.2 billion GRDP in 2009, Northern Mindanao continues to lead the Mindanao regions in size of economy. The region's share to total Mindanao output, however, decreased slightly from 28.3 percent in 2008 to 28.1 percent in 2009.

The region's GRDP growth rate continued to decelerate to 2.92 percent from the 5.22 percent growth in 2008 and 7.7 percent in 2007 as a result of the global financial crisis. Among the Mindanao regions, Zamboanga Peninsula and Davao outpaced Region 10 in GRDP growth in 2008-2009. The Philippine economy grew by only 1.06 percent in 2009 from the 3.7 percent growth in 2008.

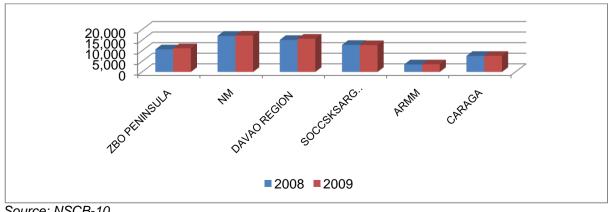
TABLE 1. GROSS DOMESTIC PRODUCT AND GROSS REGIONAL DOMESTIC PRODUCT **MINDANAO REGIONS: 2007-2009** (IN MILLION PESOS, AT CONSTANT 1985 PRICES)

Dogion	2007	2007		% Change			
Region	2007	2008	2009	2007-2008	2008-2009		
Philippines	1,366.50	1,417.09	1,432.12	3.70	1.06		
Mindanao	241.82	251.29	260.71	3.92	3.75		
Region 9	35.05	35.76	38.2	2.03	6.82		
Region 10	67.60	71.13	73.21	5.22	2.92		
Region 11	61.68	63.93	67.37	3.65	5.38		
Region 12	47.72	49.9	50.56	4.57	1.32		
ARMM	11.9	12.1	12.41	1.68	2.56		
Caraga Region	17.92	18.47	18.96	3.07	2.65		

Source: NSCB-10

Per capita GRDP, nevertheless, improved although slightly to P17,183 from P17,042, and next in rank only to the Cordillera Administrative Region and NCR. Together with Davao Region in Mindanao, and CAR and NCR in Luzon, Northern Mindanao had GRDP per capita above the national average.

FIGURE 1. PER CAPITA GRDP **MINDANAO REGIONS: 2008 AND 2009** (AT CONSTANT 1985 PRICES)



Source: NSCB-10

### Sector/ Subsector Share and Contribution to Output

Services, still the largest sector of the region's economy, contributed 38 percent of total output in 2009, a slight decrease from 38.44 percent in 2008. Conversely, the other two sectors managed slight increases in their shares to total output, Agriculture, Fishery and Forestry (AFF) to 31.64 percent from 31.24 percent, and Industry to 30.38 percent from 30.31 percent during the same period.

TABLE 2. DISTRIBUTION OF GROSS REGIONAL DOMESTIC PRODUCT BY INDUSTRIAL ORIGIN, REGION 10: 2008 AND 2009 (AT CONSTANT 1985 PRICES)

GRDP		(In P000) % Dist		ibution	% Change 2007-	% Change 2008-
Industry/Year	2008	2009	2008	2009	2008	2009
I. Agriculture, Fishery, Forestry	22,222,688	23,159,958	31.24	31.64	10.46	4.22
a. Agriculture and Fishery	21,852,395	22,871,246	30.72	31.24	10.91	4.66
b. Forestry	370,293	288,711	0.52	0.39	-10.96	-22.03
II. Industry Sector	21,563,649	22,238,408	30.31	30.38	4.12	3.13
a. Mining and Quarrying	513,611	600,974	0.72	0.82	19.97	17.01
b. Manufacturing	15,619,734	16,250,215	21.96	22.2	3.29	4.04
c. Construction	3,254,364	3,292,877	4.58	4.5	9.09	1.18
d. Electricity and Water	2,175,940	2,094,343	3.06	2.86	-0.09	-3.75
III. Service Sector	27,346,760	27,808,414	38.44	37.99	2.13	1.69
a. Transport, Comm., Storage	2,403,520	2,451,211	3.38	3.35	4.58	1.98
b. Trade	15,958,196	16,084,923	22.43	21.97	1.56	0.79
c. Finance	566,254	585,805	0.8	0.8	0.96	3.45
d. O. Dwellings & Real Estate	4,372,001	4,490,447	6.15	6.13	3.47	2.71
e. Private Services	2,359,640	2,422,661	3.32	3.31	1.88	2.67
f. Government Services	1,687,149	1,773,367	2.37	2.42	1.47	5.11
Gross Domestic Product	71,133,097	73,206,779	100	100	5.22	2.92

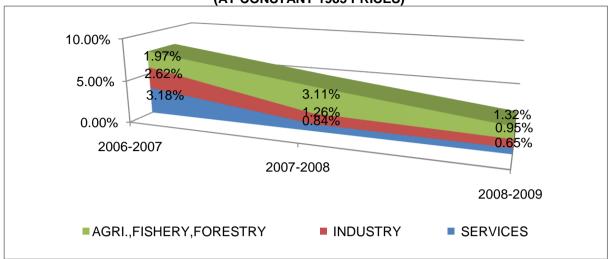
Note: 2007-2008 figures are revised estimates while 2009 figure is preliminary estimate.

Source: National Statistical Coordination Board

AFF continued to lead the sectors in output growth with 4.2 percent increase over the past year; Industry registered 3.1 percent increase, while Services managed a 1.7 percent increase. In terms of percentage contribution to total output growth, AFF likewise contributed the largest share at 1.32 percent, Industry 0.95 percent, and Services 0.65 percent to the 2.92 percent GRDP growth in 2009.

FIGURE 2. CONTRIBUTION TO GRDP GROWTH BY MAJOR SECTOR REGION 10: 2007– 2009

(AT CONSTANT 1985 PRICES)



Source of Basic Data: National Statistical Coordination Board

Looking into the subsectors in each major sector, three subsectors, namely Agriculture and Fishery, Manufacturing, and Trade, together top all others in contribution to total GRDP, accounting for 75 percent of total output and 2.5 percent out of the 2.92 percent GRDP growth. Agriculture and Fishery is the single largest contributor with 31 percent share, or practically almost 100 percent of AFF. Manufacturing (Industry) and Trade (Services) followed with 22 percent share each. Manufacturing maintained a double digit growth, although at lower 17 percent compared to the previous year's 20 percent. Agriculture and Fishery registered a much decelerated growth (4.7% from 10.5%), and Trade also slumped to less than one percent growth from 1.6 percent in 2008.

Three out of the other nine subsectors registered accelerated growth in 2009, namely, government services (5.1% from 1.5%), finance (3.45% from 0.96%), and to some extent, private services.

# b. Labor and Employment

Average employment rate for year 2010 has remained at 95 percent, higher than the national average of 92.6 percent. The number of employed persons increased by 27,000 between 2010 and 2009. a smaller figure compared to the 42,000 increase between 2009 and 2008. Unemployment rate has increased by just 0.1 percentage point in 2010. The unemployed persons increased by 4,000 between 2010 and 2009, lower than the 5,300 increase between 2009 and 2008. Underemployment rate, however, has remained high at 28 percent. Nevertheless, the increase in the number of underemployed persons of 16,000 persons was lower than the previous year's increase of 42,000. The region's underemployment rate was much higher than the 18.4 percent national average.

# **TABLE 3. LABOR FORCE AND EMPLOYMENT STATUS REGION 10: ANNUAL AVERAGE 2008-2010**

(IN '000 EXCEPT RATES)

Indicator	2008	2009	2010 p	Inc/Dec 2008- 2009	Inc/Dec 2009- 2010
HH Population 15 Yrs Old & Over	2,667.50	2,736.00	2,803.00	69	67
Labor Force ('000)	1,877.80	1,925.00	1,956.00	47.3	31
Labor Force Participation Rate (%)	70.4	70.4	69.9	0.0*	-0.5*
Employed Persons ('000)	1,789.00	1,831.00	1,858.00	42	27
Employment Rate (%)	95.3	95.1	95	-0.2*	-0.1*
Unemployed Persons ('000)	88.8	94	98	5.3	4
Unemployment Rate (%)	4.7	4.9	5	0.2*	0.1*
Underemployed Persons ('000)	462	504	520	42	16
Underemployment Rate (%)	25.8	27.5	28	1.7*	0.5*

p Preliminary

Source of basic data: National Statistics Office, Labor Force Survey.

DOLE-X registered a total of 58,352 job applicants under its Employment Facilitation Program in 2010. This is 20 percent lower than 2009's 72,810. Of the total number, 40,393 were referred for employment in various establishments, 98 percent of which were placed; the previous year's placement rate was 94.2 percent. Twenty seven job fairs were conducted with 14,338 job applicants registered, or just around one-half the number of job fairs and job applicants registered in 2009.

To provide job seekers with more windows for employment, the Skills Registration System (SRS) was launched. The system allows Filipino workers to register their skills and qualifications for easy access to employers seeking needed manpower. This is in support to the PhilJobNet, an internet-based, automated job and applicant matching system that aims to fast track job seekers' search for jobs and employers' search for manpower.

Fifteen Guidance Counselor Network Trainings were conducted with schools and universities preparatory to the institutions' linkage with the Public Employment Service Offices (PESOs) using the Skills Registration System (SRS).

#### c. Prices

Inflation continued on a downtrend. The average annual inflation rate in 2010 was 3.15 percent, dropping from 4.59 percent in 2009. Most commodity groups posted reductions, led by food, beverage, and tobacco at 3.47 percentage points. Only fuel, light and water (FLW) and services rose, by 5.63 and 0.31 percentage points, respectively, during the same period. FLW posted the highest inflation rate in 2010 at 8.85 percent and clothing the lowest at 1.48 percent.

TABLE 4. INFLATION RATE FOR ALL INCOME HOUSEHOLD BY COMMODITY GROUP **REGION 10: FOURTH QUARTER AND ANNUAL 2009 AND 2010 AVERAGE** (2000-100)

	(2000=100)	)			
Commodity Group	4 <sup>th</sup> Qua	arter	Annual Average		
Commodity Group	2009	2010	2009	2010	
All Items	12.2	2.8	4.59	3.15	
Food, Beverage and Tobacco	15.3	3	6.14	2.67	
Clothing	4.2	1.2	1.94	1.48	
Housing and Repair	13.5	3.4	3.53	2.67	

<sup>\*</sup> In percentage points

Commodity Group	4 <sup>th</sup> Q	uarter	Annual Average		
Commodity Group	2009	2010	2009	2010	
Fuel, Light, and Water	9.4	4	3.22	8.85	
Services	8.1	1.7	2.6	2.91	
Miscellaneous	2.5	0.5	2.13	0.88	
Purchasing Power of the Peso			0.6	0.58	

Source: NSO-10

# d. Poverty

# **Incidence and Magnitude**

Based on the 2010 revision of the country's poverty estimates, poverty incidence in Region 10 has been increasing from 32.4 percent in 2003 to 32.7 percent in 2006 to 32.8 in 2009. It may be noted, however, that the increases have been slowing down, from 0.3 percent between 2003-2006 to 0.1 percent between 2006-2009. Still, the region's poverty incidence has been higher than national average by around 10 percentage points in the three survey years 2003, 2006, and 2009. The region managed to improve its rank among the 17 regions nationwide to seventh in 2006 from fourth in 2003, but slid back to sixth in 2009, indicating the region's continuing struggle in reducing poverty.

TABLE 5. POVERTY INCIDENCE AMONG FAMILIES PHILIPPINES AND REGIONS: 2003, 2006, AND 2009

Region/ Province		rty Incic g Famili		Rank ( Poorest to Least Poor)			Magnitu	Families	Increase/ Decrease	
	2003	2006	2009	2003	2006	2009	2003	2006	2009	2006-2009
PHILIPPINES	20	21.1	20.9				3,293096	3,670,791	3,855,730	184,939
NCR	2.1	3.4	2.6	17	17	17	48,923	80,828	64,404	-16,424
CAR	16.1	18.6	17.1	13	13	13	45,088	56,346	54,949	-1,397
Region I	17.8	20.4	17.8	12	12	12	156,261	193,392	179,179	-14,213
Region II	15.2	15.5	14.5	14	14	14	89,352	96,311	94,433	-1,878
Region III	9.4	12.0	12.0	15	15	15	169,771	228,741	244,273	15,532
Region IV-A	9.2	9.4	10.3	16	16	16	201,725	210,830	248,179	37,349
Region IV-B	29.8	34.3	27.6	7	4	9	148,924	186,838	162,609	-24,229
Region V	38	36.1	36.0	2	3	4	358,981	364,318	385,338	21,020
Region VI	23.5	22.1	23.8	11	11	11	298,058	302,836	345,703	42,867
Region VII	32.1	33.5	30.2	5	6	7	389,818	432,870	415,303	-17,567
Region VIII	30.2	31.1	33.2	6	8	5	227,458	253,347	287,156	33,809
Region IX	40.5	34.2	36.6	1	5	3	237,898	224,378	242,285	17,907
Region X	32.4	32.7	32.8	4	7	6	239,874	257,640	275,433	17,793
Region XI	25.4	26.2	25.6	9	10	10	205,966	220,707	226,284	5,577
Region XII	27.2	27.1	28.1	8	9	8	192,545	203,000	224,882	21,882
ARMM	25	36.9	39.8	10	1	1	126,233	163,783	187,278	23,495
Caraga	37.6	36.5	38.1	3	2	2	156,221	194,626	218,043	23,417

Source: NSCB

TABLE 6. PER CAPITA POVERTY THRESHOLD, POVERTY INCIDENCE AMONG FAMILIES
AND MAGNITUDE OF POOR FAMILIES
REGION 10: 2003, 2006, AND 2009

Barrian/	Annual Per Capita Poverty Threshold (in Pesos)			Pov	Poverty Incidence Among Families (%)				Magnitude of Poor Families (in thousands)				
Province	2003	2006	2009	20 03	20 06	20 09	Inc/ Dec 2003- 06	Inc/ Dec 2006 -09	2003	2006	2009	Inc/ Dec 2003 -06	Inc/ Dec 2006 -09
Philippines	10,976	13,348	16,841	20	21.1	20.9	1.1	-0.2	3,293	3,671	3,856	378	185
Region 10	10,501	12,987	16,568	32.4	32.7	32.8	0.3	0.1	239.9	257.6	275.4	18	18
Bukidnon	10,296	12,711	16,297	33.8	31.3	33	-2.5	1.7	73.3	73	70.1	0	-3
Camiguin	11,551	14,157	18,150	35.1	37.8	36.4	2.7	-1.4	5.4	6.4	8.8	1	2
Lanao del Norte	10,034	12,373	15,939	35.6	34.3	39	-1.3	4.7	55.9	56.4	69.2	0.5	13
Misamis Occidental	9,795	12,091	15,588	37	38.2	36.9	1.2	-1.3	38.6	42.4	54.1	4	12
Misamis Oriental	11,411	14,088	18,073	27.1	30.2	26.3	3.1	-3.9	66.6	79.5	73.2	13	-6

Source: NSCB

There were 275,433 families in the region falling below the poverty line in 2009. This was 18,000 families more than the count in 2006, and which was almost the same level of increase over the 2003 count. In contrast, the country, on the average, showed a better trend in poverty reduction – an increase of 185 thousand poor families in 2009 which was almost half the increase recorded in 2006.

Bukidnon, Lanao del Norte, and Misamis Oriental, each accounted for over 25 percent of total number of poor families. Misamis Oriental and Bukidnon, however, posted absolute decreases in number of poor families, by 6,000 and 3,000, respectively, between 2006 and 2009.

Misamis Oriental in 2009 posted the lowest poverty incidence among families at 26.3 percent, a reduction of 3.9 percent over the past three years. The other four provinces had poverty incidence above 32 percent.

Misamis Occidental and Camiguin, while posting reduced poverty incidence (-1.3 and -1.4 percent, respectively), had more poor families in 2009 compared to 2006 (+12,000 and +2,000, respectively), indicating less successful poverty reduction programs.

Lanao del Norte recorded a reversal from its previous 1.3 percent reduction in poverty incidence between 2003 and 2006, to post in 2009 the highest poverty incidence at 39 percent. It posted the highest percentage increase of 4.7 percent, as well as the highest absolute increase of 13,000 poor families in the period 2006-2009.

TABLE 7. ANNUAL PER CAPITA FOOD THRESHOLD, SUBSISTENCE INCIDENCE AMONG FAMILIES AND MAGNITUDE OF SUBSISTENCE POOR FAMILIES, BY PROVINCE REGION 10: 2003. 2006. AND 2009

							,	-,						
Region/	Foo	d Thre				sistence Incidence nong Families (%)			Magnitude of Subsis Families (in thou			usands)		
Province	(1	in Pesc	os)				Inc/	Dec				Inc/I		
	2003	2006	2009	2003	2006	2009	2003 -06	2006- 09	2003	2006	2009	2003- 06	2006 -09	
Philippines	7,577	9,257	11,686	8.2	8.7	7.9	0.5	-0.8	1,357.83	1,511.58	1,453.84	153.75	-57.74	
Region 10	7,312	9,080	11,543	16.1	16.3	15.6	0.2	-0.7	118.92	128.51	131.3	9.59	2.79	
Bukidnon	7,195	8,889	11,365	19.1	14.5	15.6	-4.6	1.1	41.4	33.77	33.09	-7.63	-0.68	
Camiguin	8,103	9,926	12,682	14.6	17.5	9.2	2.9	-8.3	2.26	2.95	2.22	0.69	-0.73	

Annual Per Capita Region/ Province (in Pesos)			Subsistence Incidence Among Families (%)				Magnitude of Subsistence Poor Families (in thousands) Inc/Dec						
Province	2003	2006	2009	2003	2006	2009	2003 -06	2006- 09	2003	2006	2009	2003- 06	2006 -09
Lanao del Norte	7,014	8,635	11,096	19.2	18	18.4	-1.2	0.4	30.18	29.49	32.69	-0.69	3.19
Misamis Occidental	6,834	8,430	10,887	14.7	18.3	17.8	3.6	-0.5	15.31	20.38	26.04	5.07	5.66
Misamis Oriental	7,948	9,814	12,594	12.1	15.9	13.4	3.8	-2.5	29.76	41.92	37.26	12.16	-4.66

Source: NSCB

For an individual in Region 10 to meet all his food requirements in year 2009, about PhP11,543.00 is needed. Given this estimate, the proportion of families not able to meet food requirements was 15.6 percent, only 0.7 percentage point lower than the 16.3 percent incidence in 2006. In absolute numbers, there were 131.3 thousand families considered subsistence or food poor, which was around 2.8 thousand more than the figure in 2006. This increase in number of subsistence poor families was, nevertheless, an improvement from the 9.6 thousand increase in 2006. Reductions were recorded for Misamis Occidental, Camiguin, and Bukidnon, with Misamis Oriental registering the highest improvements of 4.7 thousand families out of the subsistence poor category. Misamis Occidental and Lanao del Norte, on the other hand, recorded 5.7 thousand and 3.2 thousand families added to those considered subsistence poor.

#### e. Tax Collection

#### **Internal Revenue Generation**

Collections for the whole year of 2010 increased by 19 percent compared to the previous year's. Income tax, which comprised 61 percent of total, posted a significant 24 percent increase. Excise tax, on the other hand, was down by 45 percent.

TABLE 8. TAX COLLECTIONS BY TYPE REGION 10: ANNUAL, 2009 AND 2010 (IN MILLION PESOS)

Type of Tax	2009	2010	Increase/ Decrease	% Change
Income	2,585.31	3,211.59	626.28	24.22
VAT	1,256.30	1,378.79	122.49	9.75
Percentage	240.39	261.49	21.1	8.78
Excise	2.1	1.16	-0.94	-44.77
Others	331.88	404.26	72.38	21.81
Total	4,415.98	5,257.30	841.32	19.05

Source: Bureau of Internal Revenue (BIR), Revenue Region No. 16

The revenue district of Cagayan de Oro, which accounts for more than half of total collections, registered a hefty 22 percent increase. Double digit percentage increases were likewise achieved by Bukidnon (27.56) and Ozamiz (27.16).

TABLE 9. COMPARATIVE COLLECTIONS BY TAX DISTRICT REGION 10: ANNUAL, 2009 AND 2010 (IN MILLION PESOS)

	,		,	
District	Collect 2009	ctions 2010	Increase / Decrease	% Change
Gingoog	181.11	199.14	18.04	9.96
CDOC	2,505.99	3,057.63	551.64	22.01
Bukidnon	562.65	717.72	155.07	27.56
Ozamiz City	419.19	533.04	113.84	27.16
Iligan City	747.05	749.77	2.72	0.36
Total	4,415.98	5,257.30	841.32	19.05

Source: Bureau of Internal Revenue (BIR), Revenue Region No. 16

#### **Customs Collection**

Annual collections for 2010 of PhP4 billion was almost 16 percent above its 2009 performance with all ports, except Cagayan de Oro, doing remarkably well with two digit increases. This is a complete turnaround from 2009's eleven percent reduction.

TABLE 10. CUSTOMS COLLECTIONS BY PORT REGION 10: 2009 AND 2010 (IN MILLION PESOS)

Port	2009	2010	% Change
Cagayan de Oro	833.47	640.64	-23.14
Iligan	144.99	264.69	82.56
MCT	1,927.04	2,220.89	15.25
Ozamiz	561.48	877.5	56.28
Total	3,466.99	4,003.72	15.48

Source: Bureau of Customs, Collection District-10

# **Development Outlook**

Based on last year's performance and the good prevailing weather for the current year, the region is in a position to further improve its economic activities. This, however, would greatly depend on how well the country and the region, in particular, could turn the current situation in Japan, which is the region's second biggest trading partner, into opportunities. The volatile situation in the Middle East could also be a factor that could dampen economic growth in 2011. However, as the rest of the world recovers from the global crisis, the region is expected to ride the tide as the country sees daylight in the year ahead. Making conducive the investment climate through improved governance and sustained peace and order condition are critical in realizing the projected growth of the region.

# **Economic Development**

# a. Agriculture and Fisheries

The sector showed a minimal decrease of 6.2 percent in annual production, which was primarily influenced by the 6.7 percent decline in the production of the crops subsector. Sugarcane, which contributed the bulk of production, dipped by almost 23 percent, followed by coconut and corn which decreased by 2.2 and 1.5 percent, respectively. Nevertheless, the crops subsector consistently provided the largest contribution to the overall production during the year.

12,000
10,000
8,000
4,000
2,000
0
Pales Correspondent PAS 10

FIGURE 3. AGRICULTURE AND FISHERIES PRODUCTION REGION 10: 2009 AND 2010

Source of basic data: BAS-10

Except for fruits, self-sufficiency on all crops slightly reduced as production was affected by the El Nino Phenomenon. The livestock and fisheries subsectors adequately provided the requirements of the region during the year.

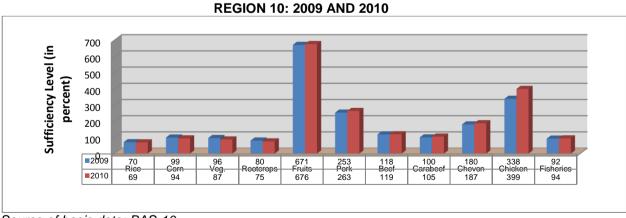


FIGURE 4. FOOD AND FEED SELF-SUFFICIENCY LEVELS

Source of basic data: BAS-10

# **Crop Production**

Palay production slightly grew by 0.44 percent, reaching 585,842 metric tons in 2010 from 583,297 metric tons in 2009. Only Bukidnon and Misamis Occidental recorded positive growths during the year, both in irrigated and rainfed areas. The positive growth both in the annual production and farm gate price contributed to the 2.45 percent increase in the value of palay grossing at PhP8.946 billion. Average yield during the year was 4.1 metric tons/hectare, higher by 3.2 percent over the previous year's record.

The region achieved 69 percent net rice sufficiency level in 2010, lower by 26 percentage points of the MTRDP's 95 percent target.

TABLE 11. PALAY PRODUCTION PERFORMANCE BY PROVINCE REGION 10: 2009 AND 2010

Province	Harvest Ard	ea (Has.) 2010	Ave. Yield (MT/Ha.) 2010	Producti 2009	on (MT) 2010	% Growth (Production)
Bukidnon	81,708	80,561	4.2	330,541	335,912	1.6
Camiguin	614	606	3.7	2,274	2,231	-1.9
Lanao del Norte	40,350	37,630	3.9	148,015	144,755	-2.2
Misamis Occidental	17,793	18,113	4.3	74,221	77,080	3.9
Misamis Oriental	6,805	6,414	4.2	28,246	25,864	-8.4
Regional Total	147,270	143,324	4.1	583,297	585,842	0.44

Source: BAS-10

Corn production declined by 1.5 percent due primarily to the decrease in area planted in response to the dry spell that occurred in the first semester. Yellow corn, which contributed 68 percent of the total annual production, was valued at PhP8.514 billion. This was higher by almost six percent over the previous year's level.

White corn production, which accounted for 32 percent of total production, reduced by almost three percent. White corn harvest was valued at PhP3.792 billion, which was 18 percent lower than the 2009 level.

The plan target of 94 percent in 2010 for net corn sufficiency level was fully accomplished in the same year.

TABLE 12. CORN PRODUCTION, YIELD AND VALUE OF PRODUCTION REGION 10: 2009 AND 2010

Commodity	2009	2010	% Growth
Production (In MT)	1,170,624	1,153,239	-1.5
White	382,661	372,834	-2.6
Yellow	787,963	780,405	-0.96
Yield/Hectare (MT/Ha.)	3.07	3.15	2.7
White	1.99	1.98	-0.5
Yellow	4.16	4.39	5.4
Value of Production (In pesos)	12,675,074	12,305,941	-3.1
White	4,637,851	3,791,722	-18.2
Yellow	8,037,223	8,514,219	5.9

Source: BAS-10

Among other crops, rootcrops posted the highest growth in production at almost 12 percent. Fruits, which shared the bulk (45.8 percent) of production, grew minimally by almost three percent. Banana, which accounted for the largest share of total fruit production, grew by a minimal 2.7 percent. Meanwhile, pineapple, the next biggest contributor, also slightly increased by four percent during the year.

Industrial crops and vegetables recorded declines at 24.4 and 1.3 percent, respectively. Cassava, which contributed 93 percent of the total rootcrop production, grew by almost 13 percent over the 2009 level.

TABLE 13. PRODUCTION OF OTHER CROPS REGION 10: 2009 AND 2010 (IN METRIC TONS)

Commodity	2009	2010	% Change
Vegetables	105,966	104,631	-1.3
Rootcrops	455,291	509,348	11.9
Fruits	2,766,210	2,846,915	2.9
Industrial Crops	3,635,583	2,749,114	-24.4
Regional Total	6,963,050	6,210,008	-10.8

Source: BAS-10

#### **Livestock and Poultry Production**

Poultry and livestock production grew by 5.4 percent during the year, pushing production level to 348,750 metric tons (live weight). Chicken posted the highest growth with 7.2 percent as a result of the increased number of birds produced in various dressing plants, farms and households. Swine production, the biggest contributor, managed to grow by almost six percent.

TABLE 14. LIVESTOCK AND POULTRY PRODUCTION REGION 10: 2009 AND 2010

	In Metric Tons	(Live Weight)	
Animal Type	2009	2010	% Change
Carabao	7,385	7,848	6.3
Cattle	33,615	34,430	2.4
Swine	129,440	136,518	5.5
Goat	5,989	6,296	5.1
Chicken	115,843	124,121	7.2
Duck	1,633	1,586	-2.9
Chicken Eggs	33,644	34,534	2.7
Duck Eggs	3,310	3,417	3.2
Regional Total	330,859	348,750	5.4

Source: BAS-10

Except for duck and chicken, the rest of the animals declined in inventory as of January 1, 2011. Carabao registered the biggest reduction at 15 percent, followed by swine at almost six percent.

# TABLE 15. INVENTORYT OF LIVESTOCK AND POULTRY REGION 10: AS OF JANUARY 1, 2010 AND 2011 (NUMBER OF HEADS AND BIRDS)

Total (As of Jan. 1) **Animal Type** % Change 2010 2011 Carabao 152,173 129.033 -15.2 Cattle 281,063 278,426 -0.9 Swine 845,511 796,101 -5.8 Goat 239,847 233,858 -2.5 Duck 319,604 390,093 22.1 Chicken 12,448,793 13,371,058 7.4 **Regional Total** 14,286,991 15,198,569 6.4

Source: BAS-10

#### **Fish Production**

Fish production reached 160,602 metric tons in 2010, a 3.3 percent increase over the 2009 level. This was largely attributed to the 9.8 percent increase in aquaculture production and 2.2 percent in municipal fisheries. Commercial fisheries dropped by 5.3 percent over the 2009 level.

TABLE 16. FISH PRODUCTION REGION 10: 2009 AND 2010 (IN METRIC TONS)

Sector	2009	2010	% Change
Commercial	45,983	43,565	-5.3
Municipal	42,392	43,339	2.2
Aquaculture	67,149	73,698	9.8
Regional Total	155,525	160,602	3.3

Source: BAS-10

The increase in fishery production was mainly attributed to the Technology and Experimental Stations located in Kisolon, Sumilao, Bukidnon and in Lala, Lanao del Norte. Kisolon Freshwater Fish Production and Regional Training Center produced 12.8 million pieces of fingerlings, which were dispersed regionwide and benefitted 441 fish growers.

Through sustained interventions and innovations, the expansion of Mariculture Park/Zone in Lanao del Norte and Balingasag Mariculture Park in Balingasag, Misamis Oriental, the establishment of marine fish cages in the coastal municipalities, the adoption of techno-demonstration, the renovation and distribution of seaweed dryers, the strengthening of livelihood programs through marketing, the education and training and other input assistance and services inevitably set the strong framework in sustaining the momentum of increased fish production for the last nine years.

A total of 52,000 kgs of seaweeds were distributed to seaweed farm families around the region. In Misamis Occidental, one seaweed nursery and one seaweed dryer were established. The seaweed nursery produced 2.1MT benefitting 25 seaweed growers.

There were 488 units of fishing gears/paraphernalia distributed, which included bottom set gill nets, hook and lines, fish pots, *payao* and squid jiggers.

#### **Programs, Projects and Activities**

In pursuit of rural development, the following programs and projects were implemented during the year: (a) banner programs for rice, corn, high value crops and livestock; (b) two foreign funded projects, namely, Infrastructure for Rural Productivity Enhancement Sector (InfRES) Project and Mindanao Rural Development Program (MRDP); and (c) locally funded Mindanao North Coast Integrated Area Development Program (MNCIADP). Public infrastructures, such as farm to market roads and barangay bagsakan centers, were also constructed/provided.

#### **Production Support Services**

A total of 24,436 bags of certified rice seeds were distributed at subsidized rate of PhP600 per bag and 5,025 bags for QTA (Quick Turnaround) and rehabilitation programs at full subsidy benefiting 33,734 farmers.

The region produced and distributed 11,052 grams of <u>Trichogramma japonicum</u> and 5,276 packs of <u>Metarhizium</u> benefitting 988 rice farmers. These chemicals controlled the prevalence of rice stem borer, bacterial leaf blight and other pests and diseases in 2,697 hectares of rice farms throughout the region.

The Regional Soil Testing Laboratory analyzed 2,639 soil samples and determined fertilizer requirement for adequate fertilizer application covering 26,390 hectares that benefited 2,605 rice farmers. The LGUs were also capacitated to conduct soil analysis at their level as 593 soil test kits were refilled. For rapid composting, a total of 56,500 packets of Trichoderma were distributed to 1,525 farmers covering 2,588 hectares of rice farms.

In support to the Tipid Abono Program-Organic Fertilizer Production Project, 54 kits of small scale community-based composting facilities were given as grant to selected communities.

To increase and promote corn production, a total of 1,730 bags of OPV seeds were produced and distributed at one bag per farmer regionwide. To support El Niño-stricken areas, 2,346 bags of OPV seeds were distributed to affected areas in Bukidnon, Lanao del Norte, and in the two Misamis provinces. To control pests and diseases, a total of 297,100 cards of *Trichogramma evanescens* were distributed to 1,352 farmers. To guide the farmers in adequate fertilization of their crops, 2,217 soil samples were analyzed with 8,868 determinations.

Tractors were distributed to seven LGUs at cost-sharing scheme of 50-50. Recipients included the following: provincial government of Misamis Oriental, municipalities of Talisayan and Medina; provincial government of Misamis Occidental, municipality of Sinacaban and City of Ozamiz; and Bukidnon provincial government.

The municipalities of Lantapan, San Fernando and Baungon and the city of Malaybalay in Bukidnon received a total of 20,000 pieces of budded rubber seedlings. Moreover, farmer-beneficiaries received a total of 2,353 kilograms of assorted quality vegetable seeds, 32 power sprayers and 300 bags of flower inducer for mango. In addition, there were 2,392,800 pieces of fruit tree planting materials, sweet potato cuttings and cassava stakes distributed to 707 beneficiaries regionwide.

During the year, a technology was employed in vegetable production using controlled environment through screen house or rain shelter. This technology promoted production of high value vegetables such as lettuce, broccoli, cauliflower, bell pepper, and onion. Ten units of rain shelters were allocated for Sumilao, Talakag, Claveria and Gingoog City.

On improving the production and reproduction of the local herd, 58 heads of quality animal breeders were distributed to LGUs and farmer-beneficiaries. To promote a cheaper alternative to natural breeding, semen straws [cattle (9,542 pcs) and goat (865 pcs)] for artificial insemination were distributed to 5,308 farmers and LGUs. Seven hundred seventy-three heads of dairy goats were, likewise, distributed to LGUs and production centers regionwide through the Dairy Goat Development Project (DGDP).

Biologics and vaccines (1,986,181 doses) were distributed to the provincial and city veterinary offices in the region to help control the spread of diseases. Animal disease diagnostics, through analysis of 5,384 various samples submitted, were also conducted to complement the direct efforts of disease control. Likewise, feed analysis on 1,168 samples received from feed millers and retailers were also conducted to check the quality of feeds in the market.

In support to livestock industry, the department continually distributed forage seeds (43.8 kgs) and planting materials (39,510 kgs) to improve pasture areas and forage production. Breeding services through artificial insemination were also conducted in nearby barangays of the Malaybalay Stock Farm in Dalwangan, Malaybalay City, Bukidnon. Animal health services such as vaccinations, deworming, deticking and treatment of animals were regularly conducted to maintain the quality of herd in the station.

The region posted a 38 percent accomplishment rate along agricultural insurance coverage amounting to PhP120 million. Almost 10,000 farmers and agricultural stakeholders availed of the various insurance programs implemented during the year by the Philippine Crop Insurance Corporation.

# **Market Development Services**

To showcase the products of the region, four investment fora were conducted and three agriculture fairs/congresses were participated in during the year. The fora highlighted the prospects of rice for business venture purposes and its many value adding opportunities, as well as the investment opportunity for rice farmers in the Integrated Rice-Duck Farming Technology.

Marketing updates were continuously provided to farmers through monitoring and dissemination of prices on rice, corn and other agricultural products.

To ensure that markets are available for the produce of livestock and poultry farmers, strong linkage between and among the region's livestock and poultry industry associations and potential markets were established during the year. Livestock and poultry products from the region were showcased in trade fairs participated in and conducted by the Department of Agriculture. Partnerships with LGUs and the private sector were reinforced by the various programs implemented by the department for livestock industry. The various workshops can be availed of by beneficiaries.

#### **Extension Support, Education and Training Services**

The region conducted 45 on-site trainings for 1,125 participants on Palay Check System and four technical briefings for 100 participants. Other trainings conducted were five agriculture extension workers retooling courses, two seed growers training courses and two crop losses assessment participated in by 160 agriculture extension workers and 45 seed growers. Field days were conducted and technology demos were established: 93 sites on upland rice; 25 sites on cluster hybrid rice at 10 hectares per site; and 68 sites on hybrid rice.

A total of 18,146 copies of information, education and communication (IEC) materials were produced and disseminated. DXCC station in Cagayan de Oro City broadcasted one School-on-the-Air (SOA) Radio Program on Rice Production benefitting 120 farmer-graduates from the province of Misamis Oriental. There were also two Rice Information Caravans conducted. Likewise, the region distributed 9,618 copies of various IEC-related materials on corn to LGUs, private sector, and farmer cooperatives.

To boost the capability of the stakeholders and LGUs, 50 trainings were conducted along Good Agricultural Practices (GAP), pest and diseases affecting durian and lanzones; banana processing; investment opportunities of rubber and coffee; and training of trainers on selected fruits and vegetables.

Information, education and communication materials (9,100 pieces) such as wallpapers, brochures and posters were distributed to all municipalities to promote various livestock production technology. Technical assistance in waste management, animal product and by-product utilization and livestock production were provided to the LGUs and farmer clients.

#### Research and Development

The region continued to develop appropriate technologies through the conduct of 16 rice-related researches.

Research and development on animal nutrition and health were also conducted in the farms during the year.

# **Regulatory Services**

The provision of seed subsidy encouraged the seed growers to produce more, thereby resulting to the production of 147,586 bags of certified seeds (134,426 for inbred; 12,938 for foundation seeds and 222 for hybrid seeds) while seed production from the stations totaled to 502 bags (302 for inbred, 25 for hybrid and 175 for registered-upland varieties). This resulted to an intensified seed certification activity. For the year, the region served three hybrid rice growers for field certification and 291 inbred rice seed growers. The BPI-National Seed Quality Services personnel along with the region's seed coordinators inspected/verified 10 hectares of farms for hybrid seed production and 1,097 hectares for inbred seed production. Moreover, the region tagged and sealed 953 bags of inbred for foundation seeds, 18,051 bags of registered seeds and certified 99 bags of hybrid rice seeds and 71,647 bags of inbred rice seeds.

In strengthening regulatory services in the region, 18,747 veterinary permits were issued to international and domestic marine vessels while 278,385 imported livestock and

poultry were quarantined to make sure that they are safe from possible diseases. Monitoring and disease-control activities were continuously maintained at the seaports and airports quarantine stations. Registration, licensing and accreditation of those engaged in the manufacture, distribution of drugs, feeds and livestock and poultry products were conducted to ensure proper compliance of regulations for consumers' safety and quality livestock products.

#### Other Infrastructure and Postharvest Facilities

A total of 26 units of pressurized drip irrigation complementing the rain shelters, as well as 226 units of water pumps were procured and installed by the LGU-recipients during the year.

To increase efficiency in cassava granulation by 60 percent, thereby, improving the quality of granules and promote production of organic fertilizers from cassava biomass, three cassava granulators cum shredders were provided to Bukidnon, Misamis Oriental and Misamis Occidental.

Other post harvest equipment were also provided to the corn farmers to improve competitiveness and livelihood opportunities to increase income by at least 10 percent; improve processing practices of corn grits; and lengthen the shelf-life of quality corn by at least three months while waiting for better corn price. The post harvest equipment included the following: five cob dryers, eight hermitic cocoons, four hammer mills and corn mills.

#### **Special Projects**

# Mindanao Rural Development Program - Adaptable Program Loan 2 (MRDP-APL2

On its second phase of implementation, MRDP expanded its geographic coverage to 26 provinces and 225 municipalities in Mindanao. The `project's three major components (i.e. rural infrastructure, community fund for rural development, and natural resource management) covering the 44 MRDP participating LGUs is shown below:

TABLE 17. STATUS OF IMPLEMENTATION OF THE MRDP-RURAL INFRASTRUCTURE (RI)

COMPONENT

REGION 10: AS OF DECEMBER 2010

	Cost in Million (PhP)							
Province	Completed	Ongoing	Procurement Stage	Under Review	FS/DE* under preparation	Total		
Bukidnon	22.94	41.67	192.52	213.41	155.70	626.24		
Camiguin			2.5	1.24		3.74		
Lanao del Norte	30.45		78.83	118.14	44.86	272.28		
Misamis	9.09	12.56	39.05	129.68	81.97	272.35		
Occidental								
Misamis Oriental	4.19	32.88	116.50	172.49	195.03	521.09		
Region 10	66.67	87.11	429.40	634.96	477.56	1,695.70		

Source: DA-10; \*FS-feasibility study/DE-detailed engineering

The implementation of rural infrastructure subproject in Region 10 was bolstered with the DA-LGU co-financing agreement. Under this arrangement, the DA provides 40 percent of the required LGU equity.

TABLE 18. STATUS OF IMPLEMENTATION OF THE MRDP- COMMUNITY FUND FOR RURAL DEVELOPMENT (CFAD) COMPONENT REGION 10: AS OF DECEMBER 2010

Province	Completed	Ongoing	Approved proposals	Proposals under review	Total
Bukidnon	6.68	3.62	20.00	2.50	32.80
Camiguin					
Lanao del Norte	5.0		15.00	5.00	25.00
Misamis Occidental	5.0	4.0	13.75		22.75
Misamis Oriental	5.75	4.0	17.49	7.5	34.74
Region 10	22.43	11.62	66.245	15.00	115.29

Source: DA-10

Under CFAD, 526 livelihood projects with a total project cost of PhP115.29 million were in various stages of implementation during the year.

**MRDP-Natural Resource Management (NRM) Component.** In its first year of implementation, the municipality of Linamon, Lanao del Norte is the NRM site. It has completed the major activities of three subprojects with total project cost of PhP7.0 million. The subprojects implemented are as follows:

- 1) Larapan Riverbank Stabilization PhP1.3million
- 2) Coral Reefs Restoration and Enhancement thru Community- Based Coral Transplantation PhP3.335million
- Agroforestry Conservation and EcoTourism Development of Tinago Watershed PhP2.365 million

The municipality of Sugbongcogon, Misamis Oriental, as the second year NRM site, has already submitted proposals for its On the Ground Investments (OGI). Plaridel, Misamis Occidental and Magsaysay, Misamis Oriental, as Year 3 and 4 sites, respectively, have already conducted the Participatory Resource Appraisal-Resource Survey Assessment (PRA-RSA) as requirement for the implementation of NRM. The MLGUs are currently assisting their Peoples Organizations in the preparation of their proposals and other pre-implementation activities.

# Infrastructure for Rural Productivity Enhancement Sector (InfRES) Program

During the year, 17 FMRs with a total stretch of 204.175 kilometers and four units of potable water systems were funded at PhP471.582 million. Only two FMR projects were still in their 96 and 65 percent completion stages, while the rest (15) were already completed.

# Mindanao North Coast Integrated Area Development Project (MNCIADP)

The convergence approach and integrated partnership of the LGUs and collaborative efforts of the key agencies, the project's plans and programs were effectively implemented in SAFDZs regionwide.

For the Production Support Services Component, there were 200,000 pieces of white potato mini tubers; 460,000 pieces of assorted planting materials and 265 kilograms of various quality vegetables and legumes seeds produced and distributed by Claveria Experiment Station (CES) and Bukidnon Agri Productivity Center (BAPC).

The MNCIADP funded 18 agri-livelihood projects (ALP) implemented by the LGUs, with a total allocation of almost PhP7.557 million. These projects, which benefitted farmers associations/coops, included: a) one crop-related; b) 15 livestock-related; and c) processing/trading-related.

Market research and development was also conducted to assess the production characteristics/trends and marketing practices of beef-cattle, chicken, goat and swine backyard raisers in Northern Mindanao. The research initially found out that the backyard production systems of livestock constitute the bulk of livestock production in the region; and the production growth indicators for chicken and swine are moving positive, except for commercial cattle production and backyard goat production. Further, market structure research to deeply understand the demand of inter-land and inter-island market destination is vital to sustain the supply of the region's competitive livestock commodities.

Infrastructure projects funded by MNCIADP and implemented by the respective LGUs were FMRs (PhP32.1 million) and Post Harvest Facilities (PhP 2 million). These projects involved 19 road sections/FMR with a total length of 24 kilometers and six units multi-purpose dryer and pavement.

For the information support component, the project offered the School on the Air program to the participating municipalities of the provinces of Bukidnon (Talakag, Sumilao, Manolo Fortich Libona) and Misamis Oriental (Opol, Tagoloan, Villanueva and Balingasag). Two hundred twenty two farmers graduated in the two-month program and gained the technologies in Good Agricultural Practices (GAP) for corn, fruits and vegetables.

#### Public Infrastructure

A total of 71 FMRs costing PhP221 million were downloaded to the LGUs, five of which were already completed as of December 2010, while the rest were still on the different stages of implementation.

# Programang Gulayan ng Masa

In coordination with the DSWD, the program distributed only about 70 packets of assorted vegetables seeds to the beneficiaries of 4Ps (Pantawid Pamilyang Pilipino Program). Also, 10 trainings on home gardening and organic fertilizers were conducted during the year.

# El Niño Mitigating Measures

To mitigate the impact of the calamity, the Department of Agriculture, in coordination with the key agencies in the region, conducted various activities, namely: a) cloud seeding operations; b) distribution of farm inputs; c) distribution of equipment; d) information and advocacy; e) repairs and maintenance of facilities; f) price monitoring; g) disease surveillance; and h) rice distribution to affected provinces.

# b. Agrarian Reform

The country's Comprehensive Agrarian Reform Program (CARP) was extended anew in August 7, 2009 with the enactment of Republic Act (RA) No. 9700. CARP has three major components, namely: Land Tenure Improvement (LTI), Agrarian Justice Delivery (AJD), and Program Beneficiaries Development (PBD) or Agrarian Reform Community (ARC) Development Program.

# **Land Tenure Improvement (LTI)**

LTI seeks to secure the tenurial status of the landless farm workers in the land they till through the redistribution of government and private agricultural lands. It is implemented through Land Acquisition and Distribution (LAD) and Leasehold Operations (LO). Under LAD, cumulative total as of December 2010 of 265,580 hectares (has) were distributed to 144,859 farmer beneficiaries (FBs) regionwide, representing an accomplishment of 81 percent against the region's total scope of 329,902 hectares. In terms of LO, a cumulative total of 118,748 hectares were distributed to 45,173 FBs, posting an average annual growth of 1.6 percent in terms of area distributed and 1.3 percent in terms of FBs.

TABLE 19. STATUS OF LAND ACQUISITION AND DISTRIBUTION REGION 10: AS OF DECEMBER 2010

		Accomplish			Juliu1100			rand Tota	al
Province	Total Scope (hectares)	ment as of Dec 2009 (has)	as of Dec 2009 (has)	Target (has)	Accomp.  Jan –  Dec (has)	% Accomp.	Accomp. (has)	% Accomp	No. of FBs
Bukidnon	168,687	137,651	31,036	4,090	3,648	89.18	141,299	83.76	74,490
Camiguin	2,626	2,423	203	62	41	66.25	2,464	93.82	3,658
Lanao del Norte	95,867	68,274	27,593	2,449	1,626	66.37	69,900	72.91	28,854
Misamis Occidental	25,142	15,917	9,225	2,803	2,153	76.80	18,070	71.87	14,674
Misamis Oriental	37,580	32,197	5,383	1,813	1,651	91.06	33,848	90.07	23,183
Total	329,902	256,462	73,440	11,217	9,118	81.29	265,580	80.50	144,859

Source: DAR-10

TABLE 20. ACCOMPLISHMENT ON LEASEHOLD OPERATIONS REGION 10: AS OF DECEMBER 2010

	Accomplishment			CY 2010			Cumu Accompl	
Province	As of Dece	ember 2009	Target		hment for Jacember 2010		As of Dece	mber 2010
	Hectares	Farmer Beneficiaries	rarget	Hectares	Farmer Beneficiaries	% Accom.	Hectares	Farmer Beneficiaries
Bukidnon	24,890	9,330	500	552	151	110.4	25,442	9,481
Camiguin	8,455	3,372	69	77	23	111.8	8,532	3,395
Lanao del Norte	7,099	3,310	150	150	95	99.9	7,249	3,405
Misamis Occidental	28,507	9,960	942	1,021	282	108.4	29,527	10,242
Misamis Oriental	47,897	18,616	100	100	34	100.1	47,997	18,650
Total	116,848	44,588	1,761	1,900	585	107.9	118,748	45,173

Source: DAR-10

In terms of annual accomplishment for LAD, 81 percent of the 11,217 hectares targeted for distribution in 2010 was reported, benefitting a total of 6,595 agrarian reform beneficiaries (ARBs). Under LO, a total of 1,900 hectares against the annual target of 1,761 hectares was placed under leasehold agreements, posting 108 percent accomplishment.

TABLE 21. STATUS OF LAND ACQUISITION AND DISTRIBUTION REGION 10: JANUARY TO DECEMBER 2010

Province		Accomplishment Hectares	% Accomp.	No. of ARBs	% Share of ARBs
Bukidnon	4,090	3,648	89.2	2,557	38.8
Camiguin	62	41	66.1	36	0.6
Lanao del Norte	2,449	1,626	66.4	932	14.1
Misamis Occidental	2,803	2,153	76.8	2,050	31.1
Misamis Oriental	1,813	1,651	91.1	1,020	15.5
Total	11,217	9,119	81.3	6,595	100.0

Source: DAR-10

TABLE 22. STATUS OF LEASEHOLD OPERATIONS REGION 10: JANUARY - DECEMBER 2010

Province	Target	% Share of Target to Total	Area (hectares)	% of Area to Total	% Accomp.	No. of ARBs	% Share to Total ARBs
Bukidnon	500	28.4	552	29.1	110	151	25.8
Camiguin	69	3.9	77	4.1	112	23	3.9
Lanao del Norte	150	8.5	150	7.9	100	95	16.2
Misamis Occidental	942	53.5	1,021	53.7	108	282	48.2
Misamis Oriental	100	5.7	100	5.3	100	34	5.8
Total	1,761	100.0	1,900	100.0	108	585	100.0

Source: DAR-10

# **Agrarian Justice Delivery**

Agrarian justice comprises of two features, namely, provision of legal assistance and adjudication of cases. Of the 1,963 cases targeted for legal mediation in 2010, 2,045 cases were settled or disposed, posting an accomplishment of 104 percent. Comparatively, however, about 99 percent of the total annual referred cases of 2,067 as of December 2010 were accomplished versus the settled/disposed cases in 2010.

TABLE 23. ACCOMPLISHMENT IN LEGAL ASSISTANCE MEDIATION OF CASES
REGION 10: AS OF DECEMBER 2010

	Beg.	Received		CY	2010				
Work Station	Balance	Jan Dec.	Total	Target	Settled/ Disposed				
Regional Office	-	89	89	100	89				
Bukidnon	-	606	606	600	606				
Camiguin	6	96	102	100	97				
Lanao del Norte	1	487	488	300	471				
Misamis Occidental	1	273	274	363	274				
Misamis Oriental	-	508	508	500	508				
Total	8	2,059	2,067	1,963	2,045				

Source: DAR-10

Meanwhile, in terms of resolution of cases by adjudication, 805 cases were decided or resolved, out of the cumulative total of 1,118 cases for resolution, representing a 72 percent accomplishment.

TABLE 24. ADJUDICATION OF AGRARIAN CASES RESOLUTION OF CASES REGION 10: AS OF DECEMBER 2010

Province	No. of Pending Cases (As of Dec 2009)	No. of New Cases, CY 2010	Total Cases for Resolution	Target	2010 No. of Cases Decided and Resolved
Bukidnon	111	462	573	311	467
Camiguin	8	21	29	29	29
Lanao del Norte	46	120	166	90	121
Misamis Occidental	9	38	47	70	40
Misamis Oriental	33	270	303	96	148
Total	207	911	1,118	596	805

Source: DAR-10

# **Project Beneficiaries Development**

As support component to CARP, Project Beneficiaries Development (PBD) aims to capacitate ARBs and provide them access to necessary support services to make their lands more productive, enable them to venture in income generating projects, and actively participate in community governance. Cumulative status as of 2010 indicated a total of 169 ARCs developed in 649 barangays located in 88 municipalities/cities in the region.

TABLE 25. ARC DEVELOPMENT STATUS
NUMBER OF ARCS
REGION 10: AS OF DECEMBER 2010

Province	No. of ARCs	No. of Barangays	No. of Municipalities/Cities
Bukidnon	48	156	22
Camiguin	8	51	5
Lanao del Norte	27	130	20
Misamis Occidental	45	198	17
Misamis Oriental	41	114	24
Total	169	649	88

Source: DAR-10

In terms of ARB membership, a cumulative total of 83,278 ARBs were reported regionwide, of which 33 percent ARBs were organized into 425 ARB organizations in the five provinces of the region.

TABLE 26. ARC DEVELOPMENT STATUS: ARB MEMBERSHIP REGION 10: AS OF DECEMBER 2010

	No. of Partner ARB	ARB Membership					
Province	Orgns.	Total No. of ARBs (LAD + LH)	No. of ARBs Organized				
Bukidnon	161	31,427	8,083				
Camiguin	28	4,504	969				
Lanao del Norte	77	19,450	8,368				

	No. of Partner ARB	ARB Membership			
Province	Orgns.	Total No. of ARBs (LAD + LH)	No. of ARBs Organized		
Misamis Occidental	62	15,369	5,354		
Misamis Oriental	97	12,528	4,812		
Total	425	83,278	27,586		

Source: DAR-10

Regionwide, a total 448 various infrastructure projects were constructed in five provinces. These infrastructure projects are farm-to-market roads (213 projects), bridges (26 projects), irrigation facilities (37 projects), and post-harvest facilities (172 projects). The summary of accomplishments is shown in the table below.

TABLE 27. SUMMARY OF PHYSICAL INFRASTRUCTURE (COMPLETED PROJECTS)
REGION 10: AS OF DECEMBER 2010

Province	Farm to Market Roads in kilometers	Bridges, in linear meter	Irrigation Facilities, in hectares covered	Post-Harvest Facilities in number of units
Bukidnon	350	310	3,600	108
Camiguin	28	-	40	482
Lanao del Norte	114	259	510	39
Misamis Occidental	152	186	244	2
Misamis Oriental	483	-	24	2
Total	1,127	755	4,418	633

Source: DAR-10

Provision of basic social services continues to be a major activity of CARP. As of 2010, a total of 357,018 ARB households have been provided with services such as water supply, power supply, education and health services, and recreational facilities, as indicated in the table below.

TABLE 28. BASIC SOCIAL SERVICES REGION 10: AS OF DECEMBER 2010

TECTOR TO THE DECEMBER 2010											
	W	Potable Power Education Health Water Supply Services Services			Recreational Facilities		Total ARB				
Province	No. of PWS	ARB HHs Served	No. of Power Supply	ARB HHs Served	No. of Educa tion Servic es	ARB HHs Served	No. of Health Services	ARB HHs Served	No. of Recrea tional Faciliti es	ARB HHs Served	HHs Served
Bukidnon	99	24,004	48	19,527	75	15,560	226	51,860	104	21,105	132,056
Camiguin	21	3363	8	3,280	20	1,998	106	11243	49	8,331	28,215
Lanao del Norte	18	5,165	76	5,648	6	120	13	190	9	55	11,178
Misamis Occidental	92	14,893	48	11,667	295	19,776	517	71,935	195	32,545	150,816
Misamis Oriental	71	7,711	30	5,593	61	3,300	132	12,980	80	5,169	34,753
Total	301	55,136	210	45,715	457	40,754	994	148,208	437	67,205	357,018

Source: DAR-10

In terms of support to ARBs through various livelihood activities, a total of 128 various projects as of 2010 were implemented with total capitalization of about PhP25 million. Of the total projects, 38 projects (30 percent) are coop-managed enterprises and 90 projects (70 percent) are individually-managed enterprises.

TABLE 29. SUMMARY OF AGRI-BASED ENTERPRISES REGION 10: AS OF DECEMBER 2010

		Total Enterprises					
Province	No. of Projects	Capitalization (000)	Jobs Generated				
Bukidnon	50	18.760	92				
Camiguin	5	0.340	10				
Lanao del Norte	6	0.070	2				
Misamis Occidental	13	0.251	24				
Misamis Oriental	54	5.030	70				
Total	128	24.451	198				

Source: DAR-10

Meanwhile, efforts to provide access to credit and financing for livelihood activities in the ARBs recorded a cumulative accomplishment of 183 ARB organizations that have accessed financial support amounting to almost PhP 382 million in five provinces regionwide (Table 30). Microfinance services availed of by 5,456 individual ARBs composed of 42 percent (2,278) males and 58 percent (3,178) females generated a total of about PhP48 million. Overall, total amount accessed by ARB organizations and individuals was reported at PhP430 million.

TABLE 30. ACCESS TO CREDIT AND FINANCING
AS OF DECEMBER 2010

	Total					
Province	Orgs. with Access to Credit/ Grants	No. of Projects	Amount Accessed (000)			
Bukidnon	102	209	300.410			
Camiguin	10	9	1.751			
Lanao del Norte	3	2	27.250			
Misamis Occidental	25	48	30.298			
Misamis Oriental	43	47	21.788			
Total	183	315	381.498			

Source: DAR-10

Official Development Assistance (ODA) projects implemented in the region as of December 2010 totaled 18 projects, of which 16 were completed and 2 ongoing (ARISP III or Agrarian Reform Infrastructure Support Project Phase III and WB-ARCDP II or Agrarian Reform Community Development Project Phase II funded by the World Bank). By type of assistance, 12 are capital assistance and 6 technical assistance projects. Overall worth of ODA funded projects in the region's five provinces was PhP3.583 billion, benefitting 139,232 ARBs in 261 ARCs regionwide.

As of December 2010, average annual household income of 185 ARCs composed of 80,206 ARBs in the region was PhP 120,648 regionwide, as indicated in the table below.

TABLE 31. AVERAGE ANNUAL HOUSEHOLD INCOME REGION 10: AS OF DECEMBER 2010

Province	No. of ARCs	No. of ARBs (LAD + LH)	AverageAnnual HH Income (PhP)
Bukidnon (North)	23	15,959	139,456
Bukidnon (South)	22	14,224	209,658
Camiguin	8	4,504	107,308
Lanao del Norte	27	19,450	159,924
Misamis Occidental	44	15,253	136,809
Misamis Oriental	39	12,528	134,927
Total	163	81,918	120,648

Source: DAR-10

# c. Environment and Natural Resources

# **Forest Management**

In 2010, all Plan targets on forest management have been met. A total of 3,054 hectares has been developed through reforestation, agroforestry development, mangrove rehabilitation, and assisted natural regeneration schemes. A total of 687 hectares of forest plantation regionwide had been maintained, while a total of 118,523 hectares of untenured forestlands were protected from human encroachment and other illegal activities. In terms of soil conservation, the targeted 50 hectares of river banks had been rehabilitated. Upland Development Program (UDP), the major banner program on reforestation started during the Plan period, accomplished the targeted 2,808 hectares that have been reforested and/or maintained during the year. Meanwhile, a total of 1,595 kilometers (kms) of forest boundary were delineated mainly in Misamis Oriental and Lanao del Norte

#### **Land Management**

Land management activities, particularly on land distribution, in support to Republic Act 10023 on free patents issuance reported a total of 361 patents issued for residential, commercial, and industrial uses, representing 12 percent accomplishment for 2010 out of the Plan target of 3,043 patents. Meanwhile, public land survey activities posted an accomplishment of 3,042 hectares, representing seven percent accomplishment for 2010 out of the Plan target of 44,000 has. No cadastral survey was conducted in 2010 because of insufficiency of funding released to private contractors. Surveys in support to the Comprehensive Agrarian Reform Program (CARP) achieved the 2010's target of 25,367 has, representing 30 percent of total Plan target of 84,000 has for distribution to qualified agrarian reform beneficiaries (ARBs).

# **Protected Areas Management**

Currently, the region has eight sites under the National Integrated Protected Areas System (NIPAS), classified into five natural parks and three protected landscapes and seascapes. In 2010, a total of 101,352 has, representing 94 percent of total regional total of 107,316 hectares of protected areas were secured from destructive human activities. In addition, three trainings for forest guard and demarcation of 10 kms PA boundary were recorded. Incomes from usage of various PAs netted the government PhP716,548 in terms of entrance and other fees, of which 55 percent (or PhP 393,683) were generated by Mt. Malindang Natural Park in Misamis Occidental.

#### **Coastal Resource Management**

Coastal resource management (CRM) efforts in 2010 achieved the targeted rehabilitation through mangrove reforestation of 27 has of coastal areas regionwide; representing about five percent of the Plan target of 400 has of coastal areas. In addition, the Camiguin Coastal Resource Management Project (CCRMP), a New Zealand-government assisted project, has helped achieve the distinction for Camiguin Province to become the 2<sup>nd</sup> province nationwide to have fully delineated its municipal waters involving all its five municipalities, and recognized as such by the National Mapping and Resource Information Authority (NAMRIA).

# **Ecosystem Research and Development**

Major accomplishments along research and development (R&D) activities include vulnerability assessment of the Agusan River Watershed, carrying capacity determination of various ecotourism sites in the region, and maintenance of 47 hectares of forest species plantation.

# **Environmental Quality Management**

Environmental management activities in the region in 2010 continued to focus on major indicators to ensure better environmental quality for the people, namely, the need to ensure better air quality, cleaner water, improved monitoring of industrial pollution, and management of ecological wastes. Despite logistical concerns, efforts toward ensuring livable communities posted modest accomplishments.

Activities responsive to sustain clean air include Bantay Tambutso, Bantay Tsiminiya, Linis Hangin Program, and vehicles emission testing. These efforts all achieved 100 percent of their respective Plan targets. Under the Linis Hangin Program (done through the telemetry system), the region has complied with the national standards in terms of concentration of seven criteria pollutants, namely, sulfur dioxide ( $SO_2$ ), toluene, p-Xylene, benzene, nitrogen dioxide ( $SO_2$ ), and ozone ( $SO_2$ ) thereby suggesting a healthful air quality. The Plan targets 45 percent reduction of total suspended particulates ( $SO_2$ ), such as particulate matter 10 ( $SO_2$ ), in 2010. However, monitoring of  $SO_2$ 0 pollutant ceased starting in 2008. Significant accomplishment, though, was achieved in 2010 with the interfacing of the Continuous Emissions Monitoring Systems ( $SO_2$ 1 of STEAG State Power Corporation in PHIVIDEC Industrial Estate with the telemetry system installed at the regional EMB office that ensures regular air emissions monitoring of the coal-fired power producer, which continues to register favorable ambient air quality.

The Plan target to monitor water quality of nine major rivers regionwide was achieved. Water quality monitoring of industrial effluents from 165 of the target 160 high risk industries were monitored for their compliance to standards; coliform count in Macajalar Bay was deemed within standards. The water quality of Cagayan de Oro River in terms of its biological oxygen demand (BOD), dissolved oxygen, and total suspended solids (TSS) levels revealed concentrations to be within the national standards. Meanwhile, monitoring of Beaches of Duka Bay and Macajalar Bay yielded coliform counts that are within the national standards and, therefore, safe for humans and other domestic uses.

In terms of the region's compliance to RA 9003 (Ecological Solid Waste Management Act), the overall Plan target of 10 LGUs were assisted in the safe closure and rehabilitation of

their disposal facilities. During the year, nine LGUs of the targeted 10 LGUs were issued authority to close their disposal facilities. Of sites identified as feasible for sanitary landfills (SLFs), four sites were identified regionwide. However, despite the Plan target to establish five SLFs regionwide, none was ever constructed yet as of 2010. Based on 3<sup>rd</sup> quarter 2010 report of the National Solid Waste Management Commission (NSWMC), Region 10 compliance to RA 9003 reflected the following accomplishments: continued operation of 36 open dumpsites and 436 Materials Recovery Facilities (MRFs) serving 616 barangays regionwide.

In 2010, a total of 311 Environmental Compliance Certificates (ECCs) were issued to various applicants against the year's target of 150 ECCs. Certificates of Non-Coverage (CNCs) were issued to 354 applicants against the targeted 100 applications for the year. The targeted six environmentally critical projects (ECPs) and the targeted 664 projects located in environmental critical areas (ECAs) were also all successfully monitored during the year.

# **Mining Development**

Responsible mining continues to be the region's principal thrust in mineral resources management. Under the mining industry development program, the Plan target of 21 permits under various mining contract schemes were reported for sand and gravel, production sharing agreement, exploration, and mineral processing. The 2010 target of 176 hectares in mining areas were reforested under the mining forest program.

Meanwhile, activities along mineral investment promotion program resulted to the issuance of six permits and 29 certifications for ore transport, processing, and trading of mineral products. In addition, a total of 20 ore export permits have been issued in 2010. Regionwide, inventory of small scale miners recorded 20 persons as targeted for the year.

Geohazard survey activities reported a total of 223 barangays in 11 LGUs regionwide were mapped and surveyed. Groundwater resource vulnerability assessment and solid waste disposal assessment were all achieved as targeted at one LGU each.

# d. Trade and Industry

#### **DTI-Monitored Investments**

It is a better year for the region as it generated a total of PhP11.9 billion worth of investments in 2010, a marked improvement from the PhP8.3 billion generated in 2009 or an increase of 43.7 percent. This accomplishment is higher than the revised plan target by 19 percent indicating business confidence in the regional economy.

Except for the province of Bukidnon, all provinces showed increases in investments with Misamis Oriental increasing by more than three times the level it generated in 2009.

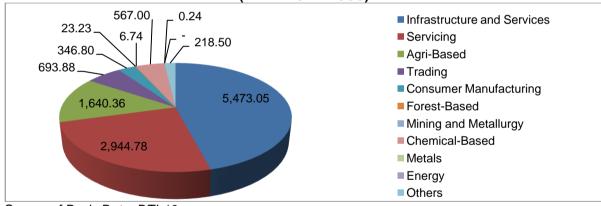
TABLE 32. DTI-MONITORED INVESTMENTS BY PROVINCE REGION 10: 2009 AND 2010 (IN MILLION PESOS)

Province	2009	2010	% Change	% Share (2010)
Bukidnon	4,744.4	3,521.4	(25.8)	29.6
Camiguin	219.9	251.6	14.4	2.1
Lanao del Norte	1,235.0	1,807.2	46.3	15.2
Misamis Occidental	896.6	965.3	7.7	8.1
Misamis Oriental	1,192.8	5,369.1	350.1	45.1
Regional Total	8,288.7	11,914.6	43.7	100.0

Source: DTI-10

The bulk of these investments were classified under infrastructure and services, and servicing sectors, which included the construction and expansion of tourism and business-related facilities like real estate, hotels, pension houses, dormitories and restaurants. The expansion of plantation areas for bananas, construction of banana packing shed, and other farm-related and poultry expansion comprised the agriculture-based investments, which had also shown a positive performance.

FIGURE 5. INVESTMENTS BY SECTOR REGION 10: 2010 (IN MILLION PESOS)



Source of Basic Data: DTI-10

Various investment promotion activities were conducted during the year which contributed significantly to the entry of investments in the region. One of the activities was the Mindanao Investment Conference, which was held in Cagayan de Oro City on August 26-27, 2010. The conference was participated in by 645 delegates and resulted to a preapproved loan worth PhP22 million by Small Business Guarantee and Finance Corporation (SB Corp) for an internet protocol television and wood chips dryer in the region. In addition, the business representatives from the region also attended the 36<sup>th</sup> Philippine Business Conference at the Manila Hotel, Manila, where a compact disc-compilation of Mindanao's potential investment projects were provided to 31 international business council through the officer of the Philippine Chamber of Commerce and Industry. Other major investment promotion activities undertaken during the year were the following:

Servicing of inbound mission from Taiwan for grouper in January 2010;

- Participation to outbound investment mission to Taiwan for agribusiness;
- Investment facilitation on softshell crab with Japanese/Canadian investor and on biofuel with a Japanese investor;
- Participation to an FGD on multi-industry cluster by the Korean International Cooperation Agency (KOICA) in April 2010; and
- Conduct of briefing on the new DBP financing facility in May 2010.

Complementing these efforts, the National Economic Research and Business Assistance Center – Northern Mindanao (NERBAC Region 10) also provided critical support to generate investments for the region through the initiative to streamline, fast track and cut red tape in the processing of business licenses and permits of regional line agencies and local government units. NERBAC Region 10 is the first center to launch the issuance of the electronic Tax Identification Number (e-TIN) on July 29, 2010, facilitating ease in its issuance for entities processing permits/licenses for business. As of December 2010, the center has already a total of 45 e-TINs.

Additionally, consistent with its goal of cutting red tape, the center has issued 1,162 Business Name Registrations with a turn-around time of 11.39 minutes. Likewise, the center conducted advocacy activities to the local government units on the use of the Philippine Business Registry, a web-based I.T. system that will eventually allow the online filing of applications for business registration, business permits and licenses, and business dissolution using a single data entry facility, with links to the systems of national government agencies and local government units (LGUs). Other accomplishments of the center included the conduct of 12 entrepreneurship and business registration orientations, one business clinic, three mobile NERBAC activities, six learning sessions for member-agencies and various seminar/workshops for potential local investors.

#### **SEC-Monitored Investments**

Total paid-up capital for stock corporations for the year amounted to PhP88.1 million, a decrease of 28.9 percent compared to that in 2009. Despite the positive performance of Bukidnon and Lanao del Norte, which posted increases of 51.2 percent and 101.2 percent, respectively, substantial decrease of investments from the province of Misamis Oriental pulled down the region's overall performance.

TABLE 33. SEC-REGISTERED INVESTMENTS BY PROVINCE REGION 10: 2009 AND 2010

New	New Registration (Stock Corporation and Partnership)						
		2009		2010	% C	% Change	
Provinces	No. of Firms	Paid-up Capital (PhP)	No. of Paid-up Capital (PhP)		No. of Firms	Paid-up Capital	
Bukidnon	25	5,634,835.7	29	8,517,250	16.0	51.2	
Camiguin	3	150,000.0					
Misamis Oriental/CDO	321	96,061,319.5	256	50,892,647	(20.2)	(47.0)	
Misamis Occidental/ Ozamiz City	16	15,243,750.0	10	15,101,250	(37.5)	(.9)	
Lanao del Norte/Iligan City	28	6,757,492.5	21	13,593,025	(25.0)	101.2	
Regional Total	393	123,847,397.7	316	88,104,172	(19.6)	(28.9)	

	2009 2010 Amount of Amoun			2010 Amount of	% Change		
Provinces	No. of Firms	Increase in Paid-up Capital (PhP)	No. of Firms	Increase in Paid-up Capital(PhP)	No. of Firms	Paid-up Capital	
Bukidnon	1	1,504,400.0					
Camiguin							
Misamis Oriental/CDO	8	122,939,100.0	8	95,500,000	0.00	(22.3)	
Misamis Occidental/ Ozamiz City	1	1,240,000.0					
Lanao del Norte/Iligan City	2	4,000,000.0	2	8,933,120			
Regional Total	12	129,683,500.0	10	104,433,120	(16.7)	(19.5)	

Source: SEC-10

# **Development of Micro, Small and Medium Enterprises**

The micro, small and medium enterprises (MSMEs) reasserted itself as the backbone of the economy marked by a continuous increase of investments for the sector. Intensive support in terms of financing, product development, capability building and market access, among others, were provided by various national agencies to qualified MSMEs in the region. These support measures enabled these businesses to prosper and grow. The MSMEs sector still offers the best hope of creating sustainable employment on a broader scale.

A total of 1,135 MSMEs were developed and assisted during the year, higher by 18 percent than the plan target of 964 MSMEs. Assistance included the conduct of trainings and fora to enhance the entrepreneurship and management skills of MSMEs, as well as promote the use of appropriate technologies to improve product quality and to increase productivity. There were 242 training programs conducted for the year with 5,376 participants from all over the region.

To showcase the products of MSMEs, the region coordinated and participated in numerous national/regional/provincial trade fairs and ensured product placement in *pasalubong* centers. These marketing and promotion efforts generated a total of PhP928.1 million sales. The various priority clusters of the region generated the highest sales for the period at 91 percent of the regional total. Among all clusters, the tourism cluster of Camiguin and processed food cluster of Misamis Oriental generated the highest sales.

To strengthen the network of MSMEs, regular quarterly meetings were conducted by the Regional Micro, Small and Medium Enterprises Development (MSMEDC) Council to discuss relevant issues and make policy recommendations. Among the important accomplishments of the council for the year were the finalization of the Memorandum of Agreement for the Northern Mindanao Entrepreneurship Academy (NMEA) and preparation of MSMED 2010-2016 Work Plan.

Other continuing programs implemented for the development of MSMEs are the Halal Program and the One Town One Product (OTOP) Program. Considered as potential export, halal products were promoted during the year through the participation of halal-certified firms in international and local fairs such as IFEX 2010, Kahimunan Regional Trade Fair 2010 and other activities conducted by DA, DOST, BFAD and other national government agencies. Other activities under the Halal Program included the conduct of workshops to strengthen halal organizations such as the Halal Advocates of Iligan City and Lanao del Norte (HAICLN) and Halal Consumers Association of Misamis Oriental.

The One Town One Product (OTOP) Program continued to be an important strategy to ensure the growth of MSMEs in the region. This year, the region aimed to increase investments on, employment from, and exports and domestic sales of OTOP products. Technical assistance was also provided to MSMEs engaged in OTOP particularly along access to financing, marketing and improving overall productivity and efficiency.

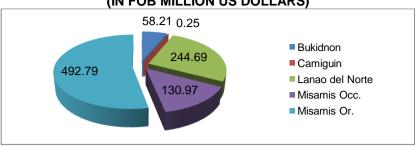
Domestic sales of OTOP products increased by 43 percent to PhP300.6 million from its 2009 level, which was mainly attributed to the firms' participation to provincial, regional and international fairs, as well as their display in OTOP Pasalubong Centers and market outlets. Total exports attributed to OTOP products amounted USD15.1 million, which remarkably exceeded the previous year's performance by 723 percent. Major OTOP exports of the region include coco briquettes from Camiguin, prawns from Misamis Occidental and abaca pulp and seaweeds from Lanao del Norte.

OTOP-related investments amounted to PhP51.5 million, which were poured into the establishment of production centers, acquisition of equipment and machinery, product packaging and labeling, improvement of OTOP Pasalubong Centers, and funding for skills, management and productivity trainings. Also, a total of 1,651 jobs were generated out of the various OTOP activities in the region, 77 percent (1,272) of which were community-based and 23 percent were home-based (379).

#### **Exports Promotion and Development**

Annual exports amounted to a total of USD926.9 million, a tremendous increase of 78.8 percent, year-on-year and higher than the plan target by 29.3 percent. Misamis Oriental remained the region's biggest exporter sharing more than half or 53.2 percent of total exports for the year. Overtaking Bukidnon, Misamis Occidental shared 14.1 percent of the overall total, trailing behind Lanao del Norte's contribution of 26.4 percent.

FIGURE 6. VALUE OF EXPORTS BY PROVINCE, REGION 10: 2010 (IN FOB MILLION US DOLLARS)



Source: DTI-10

The region's traditional products remained to be the top dollar earners for the year. Exports of crude coconut/cochin oil increased almost five times the previous year's level while that of oleochemicals doubled. Conversely, abaca pulp/fiber exports declined for the year.

Coconut-based products, such as crude coconut oil, oleochemicals and desiccated coconut, are still the region's top exports. These products contributed more than half or 68 percent of the total regional exports and tripling in terms of value compared to the previous year.

The Export Pathways Program largely contributed to this impressive performance. The program focuses on providing assistance through a systematic approach, providing interventions at every stage of an exporter's growth. Using the value chain approach (VCA), industry clustering, and sub-contracting, the program ensures a stronger and more dynamic export industry and a tool for nurturing MSMEs with potential to become exporters. The program is reinforced by the capacity enhancement component called Regional Interactive Platform for Philippine Exports (RIPPLES) which is provided by the Bureau of Export Trade Promotion (BETP). A total of 110 MSMEs became recipients of technical assistance under the program in 2010.

TABLE 34. VALUE OF TOP 10 EXPORT COMMODITIES
REGION 10: 2009 AND 2010
(IN FOB MILLION US DOLLARS)

Commodity	2009	2010	% Change	% Share (2010)
Crude Coconut/Cochin Oil	79.9	370.5	363.5	40.0
Oleochemicals	95.1	188.8	98.5	20.4
Canned Pineapple Products	73.01	73.8	1.1	<sup>2</sup> 8.0
Sintered Ore	34.6	46.8	35.3	5.0
Copra Solvent & Expeller Cake/Meal	15.7	32.8	108.9	3.5
Abaca Pulp/Fiber	51.7	29.3	(43.3)	3.2
Fresh Bananas	15.2	25.0	64.4	2.7
Hot & Cold Rolled Coils	11.8	23.5	98.6	2.5
Sawn Lumber/Core - Finished/Kiln Dried	11.8	20.6	75.4	2.2
Desiccated Coconut	15.2	15.4	0.9	1.7
Regional Total	518.4	926.91	78.80	89.2 <sup>1</sup>

Source: DTI-10

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<sup>&</sup>lt;sup>2</sup> The top 10 export commodities comprised 89.2 percent of the total exports of the region for the year.

Ease in the processing of export-related documents has been facilitated by NERBAC-Region 10 One-Stop Export Documentation Center (OSEDC), which significantly lowered cost for exporters. OSEDC was able to process 1,214 export documents amounting to USD 35.5 million for 31 exporters of Misamis Oriental.

As part of marketing assistance for exporters, the region participated in four international trade fairs as follows:: Philippine Fiesta Fair in New Jersey, Food Exhibition in Japan, Gastro Nord 2010 in Sweden and the International Food Exhibition (IFEX). A total of 11 exhibitors participated in these fairs generating a total of USD 0.126 million.

#### e. Tourism

#### **Tourist Arrivals**

As observed over the past years, the region is visited mostly by domestic travelers who find local attractions, cultural festivals and other activities catering to their various interests and demands. This is manifested with a 43.9 percent increase in domestic tourist arrivals from 999,701 in 2009 to 1,439,431 in 2010. While the region continues to strengthen its efforts to entice foreign tourists, a 10 percent decrease in arrivals is noted this year compared to that in 2009.

TABLE 35. DOMESTIC AND FOREIGN TOURIST ARRIVAL REGION 10: ANNUAL 2009 AND 2010

Arrivals	2009*	2010*	% Change
Filipino	999,701	1,439,431	44.0
Foreign	48,961	44,094	-9.9
Total	1,048,662	1,483,525	41.5

Source: DOT-10 \*partial data

The eight percent drop in foreign arrivals in the fourth quarter of 2010 and decreases in overall arrival of tourists from ASEAN (-30.43%), East Asian (-9.81%) and Europe (-13.77%), as well as arrivals from other nationalities (-47.42%) resulted to the declining performance of foreign tourists arrival in the region. Nevertheless, travelers from Hong Kong still find the region a safe and enticing destination, as their number increased by 46.81



One of the booths in the 2010 Christmas Symbols Festival in Tangub City

percent (151) compared to that in 2009. This is contrary to the expected reduction in arrivals as an effect of the hostage taking crisis in Manila in August. Moreover, as compared to the 2010 plan target, the region exceeded its annual target of 558,000 tourist arrivals by 265.8 percent.

For the year, the Ozamiz-Oroquieta-Tangub-Misamis Occidental cluster was the favored destination of tourists, sharing almost 45.15 percent (669,873) of the regional influx. This is followed by Cagayan de Oro-Misamis Oriental area at 27.36 percent (405,904); Camiguin at 19.61 percent (290,972); Iligan-Lanao del Norte with 7.05 percent (104,597) and Malaybalay-Valencia-Bukidnon with 0.82 percent (12,179). The Christmas Symbol festival held every December in Tangub City contributed to the overwhelming performance of the

Ozamiz-Oroquieta-Tangub-Misamis Occidental cluster that registered 208,999 visitors, or 45.1 percent of the total arrivals in the fourth quarter of this year.

TABLE 36. PROVINCIAL DISTRIBUTION OF VISITOR ARRIVALS BY COUNTRY OF ORIGIN, REGION 10: 2010

			Ozamiz/Tan		lligan	
Country of Residence	Bukidnon	Camiguin	gub/Mis	CdO- Mis Or	City/Lanao	Total
Residence			Occ	IVIIS OF	Del Norte	
Philippines	11,668	282,820	667,507	374,872	102,564	1,439,431
ASEAN						
Brunei			4	7	1	12
Cambodia		1	3	21	5	30
Indonesia	2	9	8	123	16	158
Laos				15	1	16
Malaysia	3	2	26	148	18	197
Myanmar				10	3	13
Singapore	9	62	86	288	18	463
Thailand	3	18	59	142	6	228
Vietnam	1	6	27	30	1	65
East Asian						
China	4	184	92	2,548	66	2,894
Hong Kong	8	42	89	400	20	559
Japan	16	256	81	1,847	49	2,249
Korea	11	884	51	3,954	36	4,936
Taiwan	3	28	62	635	57	785
SOUTH ASIA						
India		21	46	565	48	680
North America						
Canada	6	381	188	1542	80	2197
U.S.A	131	1,583	403	5,696	666	8,479
Oceania						
Australia	10	398	159	1,039	59	1,665
New Zealand						
Europe						
Austria		70	66	107	20	263
Belgium		103	17	176	27	323
Denmark		60	17	74	25	176
Finland	2	113	13	49	7	184
France	3	288	19	201	30	541
Germany	17	977	120	915	26	2,055
Italy		124	34	115	19	292
Netherlands	4	259	20	235	23	541
Norway	8	138	29	187	5	367
Spain	14	81	15	59	19	188
Sweden		157	20	122	14	313
Switzerland	2	201	17	143	14	377
United Kingdom		163	40	676	106	985
Middle East						
Saudi Arabia	2	46	24	260	28	360
Balikbayan		581	393	5,388	434	6,796
Others	247	849	77	3,070	71	4,314
Sub-Total	511	8,152	2,366	31,032	2,033	44,094
Grand Total	12,179	290,972	669,873	405,904	104,597	1,483,525

Source: DOT-10

The region also performed well as a venue for meetings, incentives, conventions and events (MICE). Event organizers proved their competence for having pulled a number of conventions, special events, seminars, meetings, as well as delegates to the region. The number of events hosted in the region increased to 5,741, or 23.62 percent increase over that in 2009. However, this is 31.7 percent short of the plan target of 8,400 events by the end of 2010. By type of events, it is also notable that national events increased by 186.74 percent from 83 in 2009, to 238 in 2010. Likewise, regionwide events also went up by 320.04 percent from 444 in 2009 to 1,865 this year. However, the number of delegates that participated in these events decreased by 13.27 percent, from 452,144 in 2009 to 392,144 in 2010.

TABLE 37. UTILIZATION OF MEETING FACILITIES REGION 10: 2009 AND 2010

Typo	No. of Events		% Change	No. of I	%Change		
Туре	2009*	2010*	%Change	2009*	2010*	%Change	
Convention	57	278	387.72	25,602	29,850	16.59	
Seminars/ Workshops	2,450	3,856	57.39	181,261	185,689	2.44	
Others	2,137	1,607	-24.80	245,281	176,605	-28.00	
Total	4,644	5,741	23.62	452,144	392,144	-13.27	

Source: DOT-10 \*Partial data

Cagayan de Oro City, being the regional capital, served as the main host of events with the highest share at 56.11 percent, followed by Iligan City with 9.8 percent. On the other hand, hotel occupancy rate in the region slightly increased by 1.67 percentage points, from 64.33 percent in 2009 to 66 percent in 2010.

#### **Tourism Investments**

The private sector is keen in developing the identified tourist attractions and in providing the necessary support facilities for the tourism industry. For the year, a total of PhP1.66 billion worth of investments were poured in the region, more than triple the 2009 level. These included the construction of primary tourism enterprises such as hotels, resorts, pension houses, adventure-related investments, logistics support, and travel and tour services.

TABLE 38. MAJOR TOURISM-RELATED INVESTMENTS
REGION 10: 2010
(IN MILLION PESOS)

<b>,</b>	/		
Province	2009	2010	% Change
Bukidnon	0.59	1.80	205.1
Camiguin	86.91	62.46	-28.1
Lanao del Norte	32.74	171.45	423.7
Misamis Occidental	19.35	5.00	-74.2
Misamis Oriental	315.88	1,416.09	348.3
Total	455.47	1,656.80	263.8

Source: DTI-10

The investments include those poured in for the construction of Paseo del Rio and expansion of Lim Ket Kai complex in Cagayan de Oro City, expansion of Dahilayan Zip Zone Adventure Park in Manolo Fortich, Bukidnon, opening of a resort and eco-park in Lanao del Norte, and new resorts in Camiguin and Misamis Occidental.

Moreover, the regular operation of the Paras Seacat Fast Ferry servicing Cagayan de Oro-Camiguin-Bohol-Cagayan de Oro and regular flights from Cagayan de Oro to Manila, Cebu and Davao are also instrumental in enticing local and foreign tourists to visit the region. The country's major airline companies namely, Cebu Pacific Air, Air Philippines and Philippine Airlines provide air transportation services.

#### **Promotions and Marketing**

A total of 24,482 brochures were produced in 2010 as promotion materials for the various tourism destination areas in the region. These brochures highlighted the existing and emerging tourist destinations and events/festivities of the five provinces and major cities of Northern Mindanao.

Moreover, various conferences, exhibitions and expositions were also participated in by the Department of Tourism Regional Office 10 along with major tourism stakeholders. These events included the following: the Philippine MICE Conference, Sea Expo 2010, 21<sup>st</sup> Travel Mart, Oro Best Expo 2010, NERBAC TWG One Stop Investment Exhibit, National Tourism Week and Provincial Tourism Week Celebrations, among others.

As an expression of support to the country being one of the members of the Brunei-Indonesia-Malaysia-Philippines East ASEAN Growth Area (BIMP-EAGA), the region through the DOT-10 Regional Director represented the island of Mindanao in the 7<sup>th</sup> BIMP-EAGA Joint Tourism Development Cluster on June 9-10, 2010. The cluster supports the Puerto Princessa Underground River (Palawan, Philippines) and the Komodo National Park (Indonesia) to the search of the New Seven Wonders of Nature.

#### **Standards and Accreditation**

To ensure provision of international standard facilities and services, the Department of Tourism has accredited 76 establishments in 2010, which is 24 percent below that of 2009 (101 accredited establishments) owing to the exclusion of inspection and accreditation of gasoline stations in the 2010 accreditation. Gasoline station facilities, such as comfort rooms, are utilized as tourists/commuters' stop after a long ride/ road travel. Moreover, the decrease in the number of accredited establishments was due to a problem in accessing the online accreditation system of DOT, which prevented other establishments to renew their accreditation. However, with the passage of the Tourism Act of 2009 and upon the completion of its implementing rules and regulation, primary tourism enterprises (travel and tour services; land, sea and air transport services exclusively for tourist use; accommodation establishments; convention and exhibition organizers and tourism estate management services) are required to obtain and renew their accreditation periodically.

In terms of human resource development, the Department of Tourism has conducted various tourism skills training, such as basic tour guiding, front desk servicing, bartending and other hospitality services wherein a total of 1,233 tourism services staff were trained.

#### **Science and Technology**

Technology interventions for the various industry sectors in the region are continuously provided by the Department of Science and Technology Region 10 (DOST-10) with the support of the Regional DOST Councils and the region's Research and Development Institutes (RDIs). Improved services for micro, small and medium-scale enterprises

(MSMEs) in the region in terms of developing intervention strategies for six priority industry sectors, namely: a) food, b) aquamarine, c) horticulture, d) gifts, housewares and decors (GHD), e) metals, and f) furniture are being undertaken. The MSMEs are the focus of these interventions, as they are considered backbone of the economy, contributing significantly in terms of employment and to the total revenues of the region and country.

Under the technology transfer and commercialization program, particularly through the Small Enterprise Technology Upgrading Program (SET-UP) of DOST-10, there were 86 firms (63 of which are existing; the remaining are newly established) assisted during the year. The gross income generated was valued at PhP193.1 million. These firms generated direct employment of 7,211 man-months. Most of these firms are from the food industry sector. From 2004-2010, the project directly assisted 489 MSME firms, which made a total gross income of PhP964.8 million and generated direct employment of 43,312 man-months.

TABLE 39. TECHNOLOGY TRANSFER AND COMMERCIALIZATION PROGRAM REGION 10: 2004-2010

Performance Indicator	2004	2005	2006	2007	2008	2009	2010	Total
No. of Technology Interventions	65	39	38	19	53	67	104	385
No. of Firms Assisted	64	58	60	64	78	79	86	489
No. of Existing Firms Assisted	57	56	58	57	65	72	63	428
No. of New Firms Established	7	2	2	7	13	7	23	61
Gross Sales (in million pesos)	21.1	88.5	124.6	105.7	125.8	306.0	193.1	964.8
Employment Generated (man-months)	232	6,217	6,544	5,250	13,160	4,698	7,211	43,312

Source: DOST-10

During the year, the DOST-10 has funded the acquisition of bioreactor and stryro-plastic densifiers for projects supporting the Solid Waste Management strategies of various local government units in the region. This is to address problems on waste management and disposal and to facilitate compliance to the Ecological Solid Wastes Management Act of 2003 or RA 9003.

Having appreciated the benefits of the bioreactor facilities, other municipalities in the region have also indicated interest to adopt and implement the same project in their solid wastes management initiatives. By the end of the year, DOST-10 hoped to have established additional four bioreactors and styro-plastic densifier facilities in the following localities in the region: (a) Don Carlos, Bukidnon; (b) Tubod, Lanao del Norte; (c) Linamon, Lanao del Norte; and, (d) Medina, Misamis Oriental.

The Testing and Calibration Services of the Regional Standards and Testing Laboratories (RSTL) continued to extend industry-responsive testing services and other forms of laboratory related assistance to MSME's in the region. These included microbiological, chemical, metals testing, accelerated shelf-life analyses and calibration services. The regional office served 1,075 clients from 743 MSMEs during the year. These included 5,718 testing and calibration services, which generated a total income of more than PhP3.0 million, including the value of assistance rendered.

The DOST-10 RSTL received its ISO-IEC 17025:2000 accreditation for both its Microbiological and Chemical Testing Laboratories in 2005 and the accreditation is currently maintained by continually upgrading through participation in international proficiency testing. For the current year, RSTL analysts participated in five international proficiency tests and successfully fulfilled the competency requirements.

For the Consultancy Services, the region has deployed 41 experts who provided consultancy assistance to 73 firms and served 192 clients. Under this service, the packaging and labelling has particularly assisted 18 firms covering 11 products. The services provided included technical assistance in label design, packaging material identification, accelerated shelf-life test, nutrition facts analysis and printing. In conjunction with the implementation of this program, DOST-10 contracted the services of local artists for the production of the label designs. This scheme increased the capability of the region to provide the packaging and labelling assistance to a greater number of clients.

Technical assistance provided to the various MSMEs in the region included the conduct of 24 training programs benefiting 519 participants. There were 47 firms that benefitted from these training programs, which were supported by experts under the S&T Experts Volunteer Pool Program (STEVPP). In addition, the region conducted 11 Technology Investor's fora/clinics in cooperation with other DOST Research and Development Institutes (RDIs), networks and linkages with PGUs/LGUs, other government and private agencies, NGOs, and the academe. There were 67 firms, with 1,167 participants that benefited from these activities.

Participation in various national, regional, and provincial fairs were among the DOST-10's S&T promotional activities in advancing science and technology-based programs and services, as well as technology innovations to increase the level of awareness and participation of industries and concerned sectors.

One of the 2010 highlights of accomplishments along the foregoing was the successful hosting of the 2010 DOST Mindanao Cluster Science and Technology Fair with the theme "Filipinnovation: The Way Forward". The fair involved the other Mindanao DOST regional offices in Regions 9, 11, 12, Caraga and ARMM and in cooperation with Technology Application and Promotion Institute (TAPI). The S&T fair showcased DOST developed technologies and scientific innovations, as well as locally-developed technological initiatives from different production and manufacturing sectors all over Mindanao. These included products and services of DOST agencies and DOST SETUP-assisted MSMEs from the five member regions. Constituents from other DOST RDIs and regional offices from Luzon and the Visayas, the academe and various regional consortia, also participated as exhibitors to promote their assisted technologies, researches and inventions. A series of activities included technical sessions, seminars and techno-demos for MSMEs, press conference with DOST officials and S&T trivia.

Scholarship programs such as the Philippine Science High School (PSHS) Scholarships for incoming first year high schools and the DOST S&T Merit and R.A. 7687 Scholarship for tertiary level students are vigorously undertaken. There are 933 ongoing DOST S&T scholars during the year, while the number of graduates totaled 37.

Strong linkages and network with print and broadcast media outfits to continuously disseminate S&T information is also being pursued. The collaboration with 110 institutions coming from the LGUs, academe, private sectors including MSMEs and other government

agencies within the region is critical in intensifying the advocacy and promotion along S&T. One milestone along this endeavor is the launching of the "Technology Business Cafe" by DOST. Concerned entities/sectors are invited periodically in seminars and fora for the presentation of various technological innovations and tackle/resolve issues related to science and technology. All of these are aimed at strengthening the existing business and research endeavors and open a window for more entrepreneurship opportunities and investments.

# **Social Development**

## a. Early Childhood and Basic Education<sup>3</sup>

With the sluggish pace in the provision of basic education, the region posted a low probability of attaining the Millennium Development Goal (MDG) of providing universal access to quality primary education by 2015. Apart from this, improving efficiency and quality are equally important concerns confronting the education sector in the region.

## **Access and Equity**

Overall enrollment in formal education from preschool to secondary level totaled 1,056,201 in SY 2010-2011. This is 4.91 percent higher than that of the previous year. The increase in enrollment, particularly in public schools, is attributed to the massive campaign of the schools and barangay officials through the "Balik-Aral" and "Brigada Eskwela" programs.

TABLE 40. BASIC EDUCATION ENROLLMENT REGION 10: SY 2009-2010 AND SY 2010-2011

	Presc	hool	Eleme	entary	Seco	ndary	To	otal
Level	2009- 2010	2010- 2011	2009- 2010	2010- 2011	2009- 2010	2010- 2011	2009- 2010	2010-2011
Public	32,087	57,102	628,842	642,535	224,648	229,501	885,577	929,138
Private	15,565	17,596	6,077	7,687	7,148	71,780	118,790	127,063
Total	47,652	74,698	664,919	680,222	291,796	301,281	1,004,367	1,056,201

Source: DepEd-10

In pursuit of inclusive education, the education system continued to encourage increased participation of all children, male and female, and from all socio-cultural background. In SY 2010-2011, the public education system posted at total special education enrollment of 4,212 and 600 at the elementary and secondary level, respectively. Meanwhile, there were 56,547 students from various indigenous groups and 49,866 Muslim students enrolled in the public elementary and secondary schools.

Basic education remains largely provided by the public sector. The SY 2010-2011 distribution of total enrollment is 88 percent public and 12 percent private. It is noted, however, that the share of the private sector has increased by about one percentage point from its 11 percent share in SY 2008-2009.

To date, there are 3,186 schools in the region offering basic education services, 74.7 percent of which are public schools. Meanwhile, there are 28,935 teachers, 83.4 percent are in the public schools.

TABLE 41. NUMBER OF SCHOOLS AND TEACHERS REGION 10: SY 2010-2011

Level	Preschool	Elementary	Secondary	Total
Number of Schools	288	2,361	537	3,186
Public	0	2,075	306	2,381
Private	288	286	231	805

<sup>&</sup>lt;sup>3</sup> There are no MTRDP targets for SY 2010-2011.

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Level	Preschool	Elementary	Secondary	Total
Number of Teachers	681	19,744	8,510	28,935
Public	118	18,043	5,967	24,128
Private	563	1,701	2,543	4,807

Source: DepEd-10

In terms of participation rate (PR), there were slight increases of 1.05 and 1.35 percentage points in the elementary and secondary levels, respectively. SY 2010-2011 elementary PR is 90.04 percent, while secondary PR is 52.21 percent. Among the schools division, Ozamiz City posted the highest participation rate in both the elementary and secondary levels, with 97.54 percent and 75.07 percent, respectively. The Division of Lanao del Norte recorded the lowest rates with 77.49 percent elementary PR and 34.37 percent secondary PR.

100.00 100.00 90.04 88.99 100.00 90.00 50.86 52.21 70.00 60.00 50.00 30.00 2009-2010 2010-2011 2015 MDG 2009-2010 2010-2011 2015 MDG Target Target Secondary Elementary

FIGURE 7. PARTICIPATION RATES BY LEVEL REGION 10: SY 2009-2010 AND SY2010-2011

Source of Basic Data: DepEd-10

Efforts to provide basic education services to out-of-school children, youth and adults were continually pursued. Under the Basic Literacy Program (BLP), there were 20,542 and 22,725 learners in 2009 and 2010, respectively. Completion rates were 79.4 percent and 80 percent, while Functional Literary Tests (FLT) were 32 percent to 35 percent during the same period.

Accreditation and Equivalency (A&E) enrollment more than doubled from 8,183 to 20,385 during the same period. However, completion rates for both years were about the same at 90.0 percent.

TABLE 42. ALTERNATIVE LEARNING SYSTEM PERFORMANCE INDICATORS REGION 10: CY 2009 AND 2010

Program	Enrollme	nt (No.)	Complet	ers (%)	FLT Pas	sers (%)	A&E Pas	sers (%)
Flogram	2009	2010	2009	2010	2009	2010	2009	2010
BLP	20,542	22,725	79.40	80.00	32.33	35.00		
A&E	8,183	20,385	90.10	90.00	80.00	80.00	37.33	No data yet

Source: DepEd-10

## **Efficiency**

Despite the improvements in a number of efficiency indicators, there remains a need to optimize the use of basic education resources. The overall cohort survival rate (CSR) for

elementary is lower than the secondary level: 66.9 percent against 71.2 percent. Among the schools division, Camiguin posted the highest elementary level CSR for SY 2010-2011 with 86.36 percent, while the division of Oroquieta City registered the highest secondary CSR of 85.09 percent. Between SY 2009-2010 and 2010-2011, CSR slightly increased by 1.24 percentage points in the elementary level. However, the secondary level posted a decrease of 1.39 percentage points.

TABLE 43. EFFICIENCY INDICATORS (YEAR-BEGINNING) REGION 10: SY 2009-2010 AND SY 2010-2011

Year	Eleme	ntary	Secondary		
Tear	2009-2010	2010-2011	2009-2010	2010-2011	
Cohort Survival Rate	65.66	66.90	72.59	71.20	
Retention Rate	89.93	90.55	88.74	88.21	
Transition Rate	95.98	95.69	86.76	89.46	
Repetition Rate	2.80	2.67	3.41	3.50	

Source: DepEd-10

The region's retention rate was registered at 90.55 percent for SY 2010-2011 in the elementary level. Camiguin Division posted the highest with 95.54 percent, while Bukidnon Division posted the lowest with 86.49 percent. For the secondary level, the region's retention rate was 88.21 percent for SY 2010-2011, slightly lower than that for SY 2009-2010 of 88.74 percent. The Division of Oroquieta City recorded the highest rate of 93.31 percent in the secondary level and Ozamiz City posted the lowest with 84.39 percent

In terms of repetition rate, there was a downtrend in the elementary level, and an uptrend in the secondary level between SY 2009-2010 and SY 2010-2011. The SY 2010-2011 elementary and secondary repetition rates of 2.67 percent and 3.5 percent, respectively, indicate that over 24,000 students are still in the same grade or year level that they were enrolled in during the previous school year.

There has been a minimal decline of 0.29 percentage points in the elementary level transition rate, from 95.98 percent in SY 2009-2010 to 95.69 percent in SY 2010-2011. On the other hand, the secondary level posted a modest increase of 2.70 percentage points, from 86.76 percent to 89.46 percent during the same period.

TABLE 44. EFFICIENCY INDICATORS (YEAR-END) REGION 10: SY 2008-2009 AND SY 2009-2010

Voor	Eleme	ntary	Secondary		
Year	2008-2009	2009-2010	2008-2009	2009-2010	
Completion Rate	67.75	63.88	68.26	67.67	
Promotion Rate	94.7	94.09	86.31	84.79	
Graduation Rate	96.41	95.99	93.31	92.17	
Drop-Out Rate	0.92	0.83	7.02	6.67	

Source: DepEd-10

The region posted declines in terms of the percentage of first grade/year entrants in a level of education who complete/finish the level in accordance with the required number of years of study. In SY 2009-2010, the completion rate in the elementary level was 63.88 percent, lower by 3.87 percentage points from that in SY 2008-2009. Similarly, there is also a decrease of 0.59 percentage point in the secondary level, with the SY 2009-2010 rate at 67.67 percent.

Meanwhile, there have been minimal improvements in terms of the percentage of pupils/students who finish a particular grade and year level. Dropout rates fell by 0.09 percentage point in the elementary level and 0.35 percentage point in the secondary level. The reasons for the decrease are the enhanced learning/teaching strategies, and increased motivation of teachers and parents.

The dropout rates for both levels (0.83 percent for elementary and 6.67 percent for secondary) indicate that over 20,000 students have abandoned schooling during the previous school year. It is important to note that dropout rate is highest among students in the first and second grade levels. Poverty and distance from school are among the frequently cited reasons.

Assuming that the current elementary and secondary CSR, completion and transition rates of the region will remain constant over time, together these rates will imply that of a cohort of 100 students who enter grade one, only 36 will graduate from high school. Applying the national level cohort and completion rates for tertiary education, there will only be approximately 13 college graduates of the said cohort.

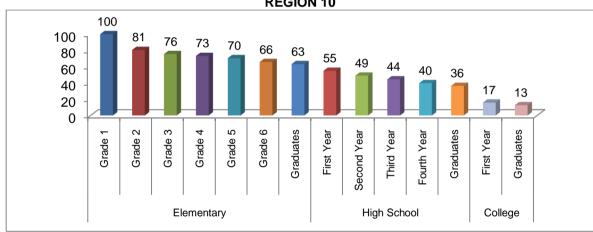


FIGURE 8. TYPICAL PROGRESSION OF A COHORT OF PUPILS REGION 10

Source of basic data: DepEd-10

#### **Quality and Relevance**

The need to improve the quality of basic education is evident from the results of the National Achievement Test (NAT). While there have been improvements in the NAT mean percentage scores (MPS) between SY 2008-2009 and SY 2009-2010, the results are still far below the standard of 75 percent. In SY 2009-20010, the MPS for the elementary and secondary levels were 69.16 percent and 45.24 percent, respectively.

The performance of elementary students was poorest in Science with an MPS of 64.03 percent, followed by Mathematics with 65.56 percent and English with 69.69 percent. Region 10 ranked sixth place, from tenth place in SY 2009-2010 among all regions nationwide.

Meanwhile, the secondary students scored lowest in Araling Panlipunan (38.98%), Mathematics (40.75%) and Science (45.48%). The region only placed seventh among all regions.

FIGURE 9. NATIONAL ACHIEVEMENT TEST MEAN PERCENTAGE SCORES REGION 10: SY 2008-2009 AND SY 2009-2010

11201011 101 01 2000 2000 1112 01 2000 2010					
	Elem	entary	Secondary		
Subject	SY 2008-2009	SY 2009-2010	SY 2008-2009	SY 2009- 2010	
English	61.77	69.69	52.54	47.08	
Science	57.53	64.03	41.46	45.48	
Mathematics	68.63	65.56	37.67	40.75	
Filipino	69.36	74.29	47.46	53.89	
HEKASI (Elem)	66.64	72.20	46.41	38.98	
Araling Panlipunan (Sec)					
Overall MPS	64.73	69.16	45.11	45.24	

Source: DepEd-10

In the elementary level, implementation of Project RIPE or Regional Intervention Programs in the Elementary, which is aimed at improving the academic achievements of elementary students, started in 2010. There are also programs which provide hands-on activities for pupils for them to apply in a laboratory setting what they have gained through the classroom learning process. Enhancement trainings for teachers and administrators were also given importance, particularly along communication skills, new trends in teaching strategies and supervisory skills for school administrators.

Meanwhile, in the secondary level, various thrusts in line with the Basic Education Sector Reform Agenda (BESRA) are being pursued. Moreover, there are efforts for the enrichment of the 2010 Secondary Education Curriculum (SEC) through Understanding by Design (UbD), with emphasis on the six facets of learning, skills development and values integration across different learning areas. All these are geared towards total human formation, as well as excellence in producing quality education.

As part of the efforts to increase access and improve quality of basic education, ICT facilities were procured and set-up in elementary and secondary public schools. For SY 2010-2011, there are 16,699 elementary and 4,567 secondary classrooms in the region. Along with enrollment, this translates to classroom-pupil ratios of 1:38 and 1:50 in the elementary and secondary level, respectively. With a standard classroom-pupil ratio of 1:40, the problem of classroom shortage is more pronounced in the secondary level. While the regional ratio for the elementary level is within the standard, there are a number of schools experiencing overcrowding of students in classrooms.

The teacher-student ratios in both levels are not within the standard of 1:25, per DepEd Order 88, s. 2009. Likewise, student-seat ratios are still not 1:1.

TABLE 45. PUBLIC SCHOOL ICT FACILITIES, CLASSROOMS, DESKS AND TEACHERS REGION 10: SY 2010-2011

	Elementary	Secondary
ICT Facilities		
Computer Sets	1,785	5,834
Desktop Computers for Academic Use	605	4,275
Pupil/Student Computer ratio (Acad.use)	1,062	54
Classrooms (Public Schools)		
Classrooms	16,699	4,567
Desks/Armchairs (Public Schools)		
Desks/Armchairs	548,547	189,325
Pupil/Student-Seat Ratio	1:17	1:21

	Elementary	Secondary
Teachers (Public Schools)		
Teachers(Deployment Analysis)	17,989	5,979

Source: DepEd-10

There were 292 newly constructed classrooms and 207 repaired during the period 2009-2010. There were also furniture, tables and chairs procured, as well as toilet seats constructed.

TABLE 46. CLASSROOM CONSTRUCTION AND REPAIR, AND FURNITURE PROCUREMENT REGION 10: 2009-2010

Total No. of New Construction for 2009-2010	Total No. of Classrooms repaired (Not SBRMS Funds)	Total No. of Furniture Procured and Delivered by the Regional Office (15%)	Total No. of Furniture Procured and Delivered by the Regional Office Teachers (Table & Chair) (15%)	Total Toilet Seats Constructed
104 – DPWH	73 – DPWH Led			
142 – DepEd Led	119 –DepED Led			
26 – SPHERE DepEd Led)				
8 – QRF(DepED Led) (Quick Response Fund)	15 Classroom QRF Repair	8,975	168	269 seats
12 – Preschool.(Ongoing)				
292 – Total Newly Constructed	207 Newly repaired	8,975 New Furniture	168-Teachers Table &Chair	269–Toilet seats

Source: DepEd-10

Meanwhile, based on the results of the Random Drug Testing (RDT) released in December 4, 2009, of the 31 students who tested positive for drug use nationwide, 10 students were from Region 10. The RDT was conducted in 91 public and private schools in the region, with percentage outreach of 17.95 percent. The region ranks second nationwide, next to the National Capital Region, in terms number of students who screened positive for drug use. This indicates the need to strengthen the implementation of RA 9165, otherwise known as the Comprehensive Dangerous Drugs Act of 2002, in schools.

## b. Technical Vocational Education and Training (TVET)

During the year, the sector continued to deliver responsive programs in pursuit of meeting its key result areas as follows: a) improved competence and employability of TVET graduates; b) compliance to TESDA's requirements/standards to ensure continuing quality improvement in TVET provision; c) improved quality provision to TVET through strengthened industry—TVET—LGU linkage, including enterprise-based training; d) intensified competency assessment and certification; e) improved equity and access for TVET beneficiaries; and f) increased awareness of TVET programs and ensure matching of skills and jobs. Thus, the sector provides improved system to ensure better training, wider opportunity and vast employment generation, and industrial productivity. Likewise, in support and in articulation of the government's battle against poverty, it employs the Seek-Find-Train-Certify-Employ (SFTCE) paradigm.

It should be noted that in 2009, there was a massive provision of resources to the sector which resulted to tremendous accomplishments particularly for scholarships and

training for regular technical vocational programs to support job creation and security. The increased TVET funding widened opportunities for employment of the graduates and produced additional skilled workforce.

#### **Program Registration**

To ensure delivery of relevant and quality TVET programs, the Unified TVET Program Registration and Accreditation System (UTPRAS) was continuously pursued during the year. A total of 86 new programs were registered in 2010. Indicative of the slowing down of new TVET programs which may be due to strict enforcement of standards, the accomplishment in 2010 was only half of the target for the year and 33 percent lower than the previous year. The conduct of compliance audit to existing programs was given more focus during the year with 92 programs audited, surpassing its target by 42 percent.

#### **Massive Training**

In 2010, a total of 19,460 persons completed the various modes of training programs delivered by the network of public and private training institutions, higher by 36 percent than the previous year. Except for Technology-Based Training program which posted a reduction of 35 percent, the rest of the programs significantly posted increases during the same period. All modes of training programs surpassed their annual targets from a high of 146 percent for TESDA technology institutions to 115 percent for technical vocational institutions. Strengthened collaborative partnership with LGUs, and partner agencies and augmented congressional scholarship support attributed to this significant performance.

#### **Competency Assessment and Certification**

Competency assessment was given to a total of 20,680 graduates and workers, higher by 16 percent of its annual target. However, this is about 14 percent lower than the previous year's level of 23,979. The increase in the number of accredited assessment centers and the mandatory assessment of TVET graduates for school-based programs facilitated the achievement of the annual target. Out of this total, 17,473 were certified posting a regional certification rate of 84 percent, or an increase of one percent compared in the previous year, and nine percent higher than the target.

#### **Education/Scholarship Grants**

A number of poor but deserving students who are enrolled in jobs directed training continue to avail the TVET scholarship programs. However, accomplishments in 2010 cannot be directly compared in 2009 considering that there were special and short term scholarship programs implemented during the year. The huge investments poured into the Training for Works Scholarship Program (TWSP) in 2009 provided free training, training support fund and free competency assessment to promote employability and job creation.

Both TWSP and PESFA scholars reached 1,182 in 2010, which were only 65 and 17 percent, respectively to the annual targets. The need to fast track the approval/releases of scholarship slots and funds at the central office down to the regional/local level have to be addressed to generate more scholars.

#### **Youth Profiling for Starring Careers (YP4SC)**

With the reduction in the number of persons availing TVET in 2010, there were only 9,409 persons registered under the YP4SC. This is short by 35 percent of its annual target and lower by 39 percent than the previous year's level. YP4SC aims to increase awareness and widen the access to career profiling and ensure best job fit of workers and students. Non-compliance to install the YP4SC by TVET providers despite issuance of mandatory requirements caused the decline in its performance.

## **Employment Monitoring**

The TVET sector facilitated employment of about 12,500 workers in 2010 through the SFTCE paradigm. Although lower by six percent than the previous year's accomplishment, this is four percent higher than its target for the year. Meanwhile, Blue-Desk (BD) integration by the LGUs, NGAs and industries which started in 2010 facilitated the installation of 128 BDs which squarely met its target for the year. However, there is still a need to enjoin more LGUs, NGAs and other stakeholders to integrate and install BDs in their respective areas and institutions. With BDs installed in all five provinces of the region, series of successful Blue-Desk Jobs Bridging activities were conducted and able to refer a total of 5,718 jobseekers/OFWs to industry partner-employers.

TABLE 47. ACCOMPLISHMENT OF MAJOR TVET PROGRAMS/PROJECTS REGION 10: 2009 AND 2010

	Accomp	lishment	Percent	% Change
Programs/Projects	2009	2010	Accomplish ment viz 2010 target	(2010/ 2009)
Program Registration				
No. of Programs registered under UTPRAS (new TVET programs)	128	86	52	-32.8
No. of Programs audited under UTPRAS	204	92	142	-54.9
Massive Training and Sector Monitoring (No. of graduates)				
- TESDA Technology Institutions	7,373	10,190	146.0	38.2
- Technical Vocational Institutions	1,495	5,736	115.0	283.7
<ul> <li>Enterprise Based Training (KASH)</li> </ul>	5,411	3,534	118.0	-34.7
Total	14,279	19,460	126.0	36.3
Competency Assessment and Certification (CAC)				
- Persons assessed	23,979	20,680	116.0	-13.8
- Certification rate	83%	84%	112.0	1.0**
Scholarship (No. of grantees/ scholars)				
<ul> <li>PGS/PGMA-Training for Work Scholarship</li> </ul>	18,104	868	65.0	-95.2
- PESFA	1,094	314	17.0	-71.3
Total	19,198	1,182		-93.8
Youth Profiling for Starring Careers (YP4SC), no. of persons	15,389	9,409	65.0	-38.9
Employment Monitoring (No. of workers)	13,347	12,500	104.0	-6.3
Blue-Desk Integration (No. installed)	N/A*	128	100.0	

\*started in 2010; \*\*difference

Source: TESDA-10

### c. Higher Education

Concerted efforts to positively respond to the growing local and global labor market demands have been on top of the priorities of the Higher Education sector especially along meeting its four thrusts: a) quality and excellence; b) efficiency and effectiveness; c) relevance and responsiveness; and d) access and equity. Thus, corresponding programs and projects were vigorously translated into concrete deliverables as captured in the following accomplishments for 2010:

#### **Promoting Quality and Excellence**

As of SY 2010-2011, Region 10 has now a total of 82 public and private Higher Education Institutions (HEIs), which comprised the six Local Universities/Colleges (LUCs), ten State Universities and Colleges (SUCs) and 66 private colleges/universities. These HEIs are offering various programs such as the Arts, Agriculture, Business Education, Health-related, Engineering, Maritime and Information Technology, Teacher Education, Criminology, and Law.

In the same period, eight Center of Excellence (COEs) and 16 Center of Development (CODs) on various disciplines were awarded to seven SUCs/HEIs in the region. As constantly monitored, these institutions continue to comply with the standards and adhere to the guidelines of the higher education sector, as follows:

Discipline	COE	COD
Agriculture	Central Mindanao University (CMU)	Xavier University (XU)
Biology	Mindanao State University – Iligan Institute of Technology (MSU-IIT)	CMU
Criminology		Capitol University (CU) and Cagayan de Oro College (COC)
Chemical Engineering		XU
Chemistry	MSU-IIT	
Civil Engineering		MSU-IIT and XU
Electrical Engineering		XU and Mindanao University of Science and Technology (MUST)
Electronics & Communication Engineering		Xavier University
Forestry and Agriculture	CMU	
Information Technology		MSU-IIT CU
Marine Science		MSU-Naawan
Mathematics	MSU-IIT	CMU
Physics		MSU-IIT
Teacher Education	MSU-IIT and CU	XU
Veterinary Medicine	CMU	

Source: CHED-RO-X

The Mindanao State University–Iligan Institute of Technology (MSU-IIT) has now a total of four COEs followed by CMU with three. Meanwhile, Xavier University remains to have the most number of CODs (6), followed by MSU-IIT (3), CMU (2) and Capitol University (2), MUST (1), MSU-Naawan (1), and COC (1).

Meanwhile, Xavier University is given the Award of Distinction for its Autonomy status until 2014, and renewable thereafter subject to strict compliance to standards/requirements. Similarly, Liceo de Cagayan University will continue to enjoy its Autonomous status until 2012.

The number of HEIs with accredited programs reached 20 (15 private and 5 SUCs), or only 91 percent of the plan target (22). Overall, the region has a total of 129 accredited and reaccredited programs with majority of the HEIs earned both the Level I and II accreditations, followed by Level III. Both Level I and II met the plan targets, while Level III was only 84 percent of its target.

To ensure provision of responsive and quality higher education, a total of 402 programs were monitored. This is significantly higher by 32 percent than the previous SY of 304. However, the region evaluated a total of 24 programs for initial permit and 35 programs for recognition, which were only 32 percent and 70 percent lower than the previous SY, respectively.

The region also accounted a total of 806 faculty who obtained doctoral degree, and 3,869 with master's degree both coming from the public and private HEIs. There is a compelling concern for schools to comply with the CHED standards and its minimum requirements in order to improve performance of graduates especially in the PRC licensure examinations.

#### **Promoting Relevance and Responsiveness**

Total tertiary enrollment in the region during SY 2010-2011 reached 124,842. Of this total, 39.8 percent (49,637) were served by public HEIs, while 60.2 percent (75,205) were served by private HEIs. This is higher by 5.6 percent and 3.3 percent from the previous school year and plan target, respectively. This can be attributed to additional courses offered by various HEIs in the region.

Among the various disciplines, Business Administration ranks first with the most number of enrollees (25,503 and 20.4% of the total), followed by Education and Teacher Training (18,670 and 15.0%), Engineering and Technology (16,281 and 13.0%), Medical and Allied Sciences (15,645 and 12.5%), and Information Technology-related (10,966 and 8.8%). Business Administration outranked Medical and Allied Sciences, which usually topped as the most enrolled courses in the past years, and only ranks fourth in 2010. Apparently, the excessive/high cost of Nursing and Medical programs, as well as the increasing number of unemployed nurses may have caused the decline.

Widening access to tertiary education for students with insufficient income remains to be the biggest challenge of the sector. On the other hand, the shift/movement of students to TVET courses, which continue to entice wider and various opportunities for foreign employment is another area that need strong collaboration along intensifying equivalency and ladderization programs between the TVET and HE sectors.

As to geographical distribution, Cagayan de Oro remains to have the highest number of enrollees (37.5%), followed by Bukidnon (20%), Iligan (15%), and Ozamiz City (9%).

Tangub City Ozamiz City Mis. Or Mis. Occ Lanao del Norte **2010-2011** Iligan City 2009-2010 Gingoog City Camiguin Cagayan de Oro Bukidnon 10000 20000 30000 40000 50000

FIGURE 10. TERTIARY ENROLLMENT BY PROVINCE/CITY REGION 10: SY 2009-2010 AND 2010-2011

Source of basic data: CHEDRO-10

Likewise, Cagayan de Oro accounted the highest number of graduates produced (28.2%), followed by Iligan City (25.1%), Bukidnon (21.6%), and Ozamiz City (12.6%). For SY 2009-2010, the region registered a total of 21,296 graduates or an increase of 11.9 percent compared in the previous SY.

SYS 2008-2009 to 2009-2010

7000
6000
5000
4000
2000
1000
0

Buridian de Oroniguir, ana del Marte Marte Cabrilland City Carrilland City Cabrilland City Cabril

FIGURE 11. TWO-YEAR COMPARATIVE DATA ON TERTIARY GRADUATES BY PROVINCE/CITY, REGION 10

Source of basic data: CHEDRO-10

#### **Broadening Access and Equity**

There are a total of 22 various scholarship/grant programs implemented in the region categorized as Scholarship (10), Grant-in-Aid (11), and Study Loan (1). For SY 2010-2011, a total of 1,176 grantees including the 313 new or 26 percent of the total grantees were served. Of the total, 31 percent (367) are males, while 69 percent (809) are females. Under the SSGP-CD/PDAF<sub>4</sub> grants, for SY 2010-2011 a total of 135 slots were allocated and added to the 2,342 ongoing scholarship grants for Region 10. The top three Districts in terms of share to the total slots are the 1st District of Bukidnon (31.5%), 2nd District of Misamis Oriental (28.6%), and the Lone District of Camiguin (8.2%).

Likewise, out of the 85 municipalities in the region, a total of 72 and 74 One-Town-One-Scholar (OTOS) scholars were able to enjoy financial benefits for the first and second semesters of SY 2010-2011, respectively. The program requires more advocacy considering the 12 percent reduction during the said school year.

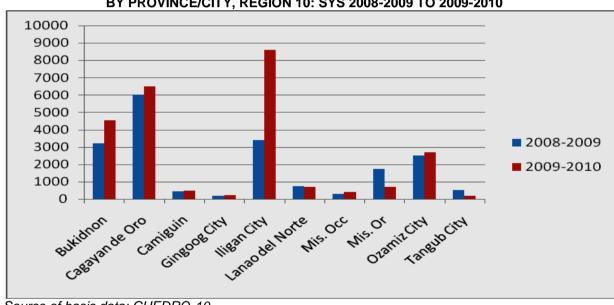


FIGURE 12. TWO-YEAR COMPARATIVE DATA ON TERTIARY GRADUATES BY PROVINCE/CITY, REGION 10: SYS 2008-2009 TO 2009-2010

Source of basic data: CHEDRO-10

Meanwhile, a total of PhP34,979.40 was collected under the repayment scheme of the Study Now Pay Later Plan (SNPLP). This is only eight percent of the total collectible amount for the year. With this very low repayment, there is a need to persuade the previous grantees to pay their obligation to augment the revolving fund, and thus accommodate the increasing number of poor but deserving students.

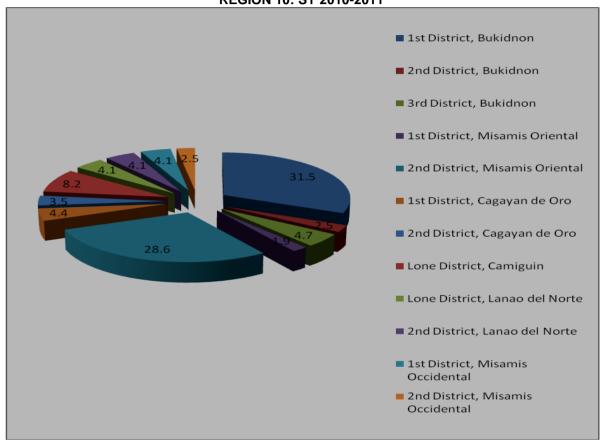
Scholarship slots continued to dwindle due to low or limited fund scholarship scheme and support. The increasing cost of tuition and other fees in various HEIs and the high cost of living which are shouldered by some scholarship programs have also resulted to the reduction of slots. Another major concern is to increase financial support to scholars/grantees to be able to respond to their basic needs. The limited and delayed releases of students' allowance affected their performance in school and the prevalence of dropouts. Further, the

<sup>&</sup>lt;sup>4</sup> CHED Special Study Grant Program for Congressional Districts

low collection return and non-payment of other SNPLP scholars continue to deplete the limited scholarship funds.

As for the Expanded Tertiary Education Equivalency and Accreditation Program (ETEEAP), the region accounted a total of 214 graduates in 2010 produced by three delivering institutions. This is 12 percent higher than 2009 (101 graduates) and it surpassed the target for the year by 185 percent.

FIGURE 13. PERCENT DISTRIBUTION OF CHED SPECIAL STUDY GRANT PROGRAM BY CONGRESSIONAL DISTRICT REGION 10: SY 2010-2011



Source of basic data: CHEDRO-10

## **Improving Efficiency and Effectiveness**

The region reviewed, supervised and monitored 21 private HEIs which applied for tuition fee hike 5 for SY 2010-2011. This comprised 26 percent of the total number of HEIs and 40 percent higher than the previous SY of 15 HEIs.

Along Research and Extension, the region screened 21 health-related researches which were submitted to the Northern Mindanao Consortium for Health Research and

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<sup>&</sup>lt;sup>5</sup> Common compelling reasons for tuition fee increases, are: a) increase in salary wages, allowances, and other benefits of the teaching and non-teaching personnel, and b) improvement and modernization of buildings, equipment, libraries, laboratory, gymnasium and similar facilities and for other costs of operations (at least 20 percent of the incremental increase), among others.

Development (NorMinCoHRD). It also conducted the Search for the 2010 Best Higher Education Research Program Award, and awarded two Regional Qualifiers in Social Science.

#### **Performance of State Universities and Colleges (SUCs)**

The State Universities and Colleges (SUCs) continue to provide human capital and or competent and skilled work force needed to fuel the growth of the local/regional economy, as well as respond to the national and global labor demands. Thus, efforts to actualize the core functions of HEIs are consistently aligned and supportive to the vision and thrusts of the region and to the national/global trends.

Of the region's total tertiary enrollment of 124,842 for SY 2010-2011, 35 percent of these (43,534) came from the SUCs. The SUCs of Bukidnon (BSU and CMU) contributed 40 percent of the total enrolment of all SUCs, followed by Iligan City (MSU-IIT) at 26 percent, and Cagayan de Oro (MUST) at 15 percent. The remaining 19 percent were accounted by the SUCs from Camiguin (6.7%), Lanao del Norte (2.2%), Misamis Oriental (5.2%) and Tangub City (4.1%).

Likewise, the SUCs produced a total of 7,064 graduates in SY 2009-2010 which was 28 percent of the region's total. With the presence of two state universities, the province of Bukidnon produced the highest number of graduates (48%), followed by Iligan City (25%), and Cagayan de Oro (12%).

#### **Bukidnon State University (BSU)**

Significant accomplishments supportive to the four thrusts of higher education were achieved by the university. Along the area of instruction, streamlining of existing policies and curricular offerings of the different colleges, external studies centers, and extension campuses are vigorously pursued. Thus, syllabi are periodically updated and aligned with the demands of the labor market and the economy. The university has a total of 34 academic programs (6 Doctoral degrees, nine Masteral degrees, and 19 baccalaureate programs).

In its commitment to maintain high standard and quality education, the university was granted accreditations to its various Colleges. In total, eight academic programs attained Level III, one for Level II, and three for Level I. It also continues to take pride in its performance along licensure board examinations particularly for Nursing and CPA with passing rates higher than the national level.

Purposive research development and extension activities responsive to current and future socio-economic and environmental trends are continuously undertaken. These are inclined along the maximized use of resources and potentials inherent in the province, as well as in the region.

Physical infrastructure development is directed to enhance and sustain the academic performance of the university. During the year, nine major projects were completed while five are ongoing, which include the construction of the four-storey academic buildings, among others.

Convergence and strong partnerships/linkages and networking among major stakeholders is continuously strengthened to ensure responsiveness, relevance and efficiency in carrying out its mandates.

#### Camiguin Polytechnic State College (CPSC)

Consistent with the higher education's major thrusts, specifically along quality and excellence, nine programs were submitted for accreditation and were all granted candidate status for Level 1. Expectedly, the delivery of these nine programs will be improved and responsive to the labor market demands.

Likewise, to keep abreast with technological trends, it continues to update its course syllabi, instructional facilities, and upgrade and capacitate its teaching force with the necessary skills along their field of specializations.

In providing access and equity to poor, but deserving students, it continues to accommodate a total of 2,331 scholarship grants coming from various government sponsors. Along research, it dynamically pursues the conduct of 14 research studies and 13 relevant extension programs. Moreover, to enhance the students' learning particularly in acquiring practical skills, it continues to deploy students to on-the-job-training to various agencies/institutions in the region.

#### Central Mindanao University (CMU)

The university maintains its status as one of the top performing schools in the country in various disciplines. It ranks number one with 100 percent passing rate in the licensure examination for Mechanical Engineers in the past three consecutive years, and number two for Agriculture. It also achieved a 100 percent passing rate in Nutrition and Dietetics. While it did not attain a 100 passing rate in other board examinations, it however surpassed the national passing rate particularly for the College of Forestry, which consistently stands as among the top three Forestry schools in the country.

The university offers the lowest tuition fee (PhP90 per unit) among the SUCs in Mindanao. It consequently remains to have the highest enrollment (19,240) in the region. Moreover, the approved scholarship slots totaled 3,540 (18% to total enrollment) which comprised the following: 1,862 as academic scholars; 1,071 non-academic scholars, and 607 as grants in-aid scholarships from government and private entities.

The university also maintains its status as Center of Excellence (COE) in Agriculture, Forestry, Veterinary Medicine, and Center of Development in Biology and Mathematics.

It has now a total of 37 ongoing researches, while another 11 research projects/studies were completed. It has also organized seven University Centennial Research Seminar series. Along extension, it strongly promotes its 14 major programs as tangible evidence of its continued support to the nearby communities consistent with the entire thrusts of the university.

#### Mindanao State University -Iligan Institute of Technology (MSU-IIT)

As manifestation of its academic excellence, MSU-IIT has a total of four Centers of Excellence (Biology, Chemistry, Mathematics, and Teacher Education) and three Centers of Development (Civil Engineering, Information Technology, and Physics). Likewise, three Colleges (College of Arts and Social Sciences, College of Education (both Level II), Business Administration and Accountancy (Level I) have earned higher level accreditation.

MSU-IIT maintains the Accelerated Science and Technology Human Resource Development Program (ASTHRDP) "Science Consortium" headed by the University of the Philippines (UP). The TESDA Assessment Center for Automotive and Mechatronics Servicing has been put in place, as well. It is also recognized as the delivering institution for CHED's Faculty Development Program.

Enrollment for the two semesters of SY 2010-2011 reached an average of 11,818. It also produced a total of 1,957 tertiary graduates in the same SY. Meanwhile, the PRC gave ranking recognition to the university as number one performing school in Electrical Engineering, number two in Nursing, and number four in Accountancy.

Scholarship grants and other forms of financial support were given to a total of 3,786 (32% to total enrolment) poor, but deserving students. Of the total, 60 percent was awarded to the scholars under the Merit category, 30 percent as academic scholars, and 10 percent for special scholarship/assistantships.

Along research and extension, the policy on incentives for research presentation, publication of articles, journals, and the grant of professorial chairs boosted research activities across colleges/departments. Thus, to further carry out research related undertakings, institutional membership in research consortia, participation in collaborative research projects, presentation and publication of research papers/articles, conduct of trainings/seminars and attendance to scientific activities were pursued. Alongside research, extension and community outreach activities were consistently undertaken particularly along the areas of entrepreneurship development, technology transfer, project development, transparent and accountable governance, and peace and development. More importantly, the achievements in research and extension are substantiated by the programs and projects of the Institute for Peace and Development in Mindanao (IPDM).

The newly created Intellectual Property Unit (IPU) was finally approved by the Board of Regents. This Unit will carry out the patenting/copyrighting of research works, inventions and creative works of the faculty. It shall also play a crucial role in the possible commercialization of research outputs which shall ultimately led to viable income generation.

#### Mindanao University of Science and Technology (MUST)

The university maintains the status of Center of Development for Electrical Engineering and is presently working on meeting the qualifications in other fields. Also, its seven program offerings were elevated to Level III, and another eight to Level II.

For the past five years, the performance rate in PRC examinations was above the national passing percentage. The Mechanical Engineer Licensure Examination obtained a 100 percent passing rate. The Electrical Engineer and Electronics Engineer Licensure Examinations also produced top ten placers.

The university enrolled a total of 8,527 students in SY 2010-2011. It likewise produced a total of 1,353 graduates in both graduate and undergraduate programs. Of the total number of enrollees, 14 percent (1,197) were given scholarship/grants. Among the scholars, 14 percent (170) are funded by the university, 80 percent (954) by various government agencies, foundations and other organizations, and six percent (73) by educational plans. As compared in SY 2009-2010, the number of scholars from SY 2010-2011 has increased to 92 percent.

The university exceeded its targeted number of activities along research projects, paper and poster presentations to local and foreign audiences, publications, and other advocacy activities. It also garnered various awards like the CHED Republika Award, as regional winner in the natural sciences category, and regional qualifier for both the natural science categories. Six research centers on engineering and architecture, technology, advanced science, applied mathematics, marine biomodeling and mariculture and policy studies, education and socioeconomic are established.

To constantly improve its academic performance, service delivery, and in pursuit to become the University of Science and Technology in the Philippines (USTP), continuing massive infrastructure development are put in place. For SY 2010-2011, it inaugurated the four-storey Information and Communication Technology (ICT) building and the three-storey Administration building. The ongoing construction of Science Complex is expected to be completed in 2011. There are other infrastructure projects lined up for 2011 like the improvement of University Gymnasium, and the old Administration Building, Engineering Complex, Student Dormitory and Student Center.

## Misamis Oriental State College of Agriculture and Technology (MOSCAT)

For the first semester of SY 2010-2011, MOSCAT accommodated a total of 906 slots for scholarship/grants from various institutional and external scholarship groups/sponsors. This is to widen access to poor but deserving students and to beef up the enrolment of the college.

Along technology upgrading, e-classrooms were established in the five Institutes which were equipped with the state of the art facilities and electronic devices.

Three research papers of the College won best paper awards during the 22nd NOMCARRD Regional Symposium on Research and Development.

#### Northwestern Mindanao State College of Science and Technology (NMSC)

To keep pace with the recent innovations and technologies, several faculty members attended/participated to various seminar-workshops relevant to their field of specializations.

The College also received 75 percent delivery of laboratory facilities for the project "Upgrading of Laboratory Facilities". This project has a PhP5M financial assistance from the Department of Science and Technology (DOST). It also received PhP1M financial assistance from CHED for its Biology and Chemistry laboratory facilities. Likewise, a total of 655 scholarship grants/slots were received from the LGU of Tangub City.

The College completed one research and has four ongoing researches while community and extension activities are regularly undertaken.

## d. Health, Nutrition and Family Planning

## **Health and Nutrition**

Most of the health indicators in the region showed improvements between 2009 and 2010. However, these were still behind the plan targets in 2010 indicative of the continuous struggle to improve and expand health service delivery particularly to the disadvantaged

sectors. With only five years left for the achievement of the MDGs, the health sector has to be prioritized in terms of financing and convergence of efforts and resources.

Maternal and child care programs were vigorously pursued during the year. Although a little lower than the plan target, maternal mortality rate drastically reduced from 0.94 per 1,000 livebirths in 2009 to 0.59 in 2010. With the LGUs as frontliners for health services, the factors that attributed to said reduction included the following: continuous capability of service providers on maternal care, strict compliance on health facility-based deliveries (including the 24-hour availability of RHUs) at all levels, establishment and PhilHealth accreditation of MCP and the strong public-private sector/NGOs linkage along maternal and child care. The strict implementation of DOH administrative Order 79 which prohibits hilots to handle deliveries and the expanded role of midwives during obstetric emergencies also contributed to the reduction in maternal death. This also explained the low coverage of deliveries handled by skilled attendants as against its plan target for 2010. Further, the continuing technical and logistics support by the CHD-NM including the regular maternal death review and the presence of foreign assisted projects that provided MNCHN grant to all LGUs have intensified the maternal and child care program regionwide.

Despite the reduction in maternal deaths, the coverage of pre and post natal care remained low and below the plan and MDG targets. The poor-seeking behavior of pregnant mothers in terms of recognizing the importance of pre and post natal services is still prevalent especially in remote barangays. Intensive advocacy and expansion of coverage in terms of maternal health care services have to be vigorously pursued at the local level. With the continuing mobilization of the BHWs, the conduct of pregnancy tracking by women health teams shall likewise be intensified.

The increase in infant mortality between 2009 and 2010 from 7.2 to 7.87 per 1,000 livebirths requires full immunization coverage, addressing the poor-seeking behavior of parents, inclusive breastfeeding, improving pre and post natal care coverage, continuing capability building of service providers on the integrated management of childhood illnesses, intensifying IEC on maternal and child health, and adopting the two-way referral system among RHUs/BHS and hospitals.

The slight increase in crude birth rate in 2010 may be attributed to the increasing awareness to comply with the policy on early registration as part of the LGUs' campaign on birth registration especially on remote areas where Muslim and indigenous people reside. Meanwhile, the reduction in crude death is indicative of improvement of the delivery and access to health services at various levels.

TABLE 48. HEALTH AND NUTRITION INDICATORS REGION 10: 2009 AND 2010

Indicator	2009	2010	Plan Target by 2010	MDG Target 2015	Difference (2010 data-Plan Target)
Crude Death Rate (per 1,000 population)	4.43	4.29	3.37	-	- 0.92
Crude Birth Rate (per 1,000 population)	22.03	22.52	21.17	-	- 1.35
Maternal Mortality Rate (per 1,000 live births)	0.94	0.59	0.57	0.33	-0.02
Infant Mortality Rate (per 1,000 live births)	7.20	7.87	7.17	6.93	-0.07
Prevalence of underweight and severely underweight 0-5 years old (pre-school)*	*	8.09	5.02	//	-3.07

Indicator	2009	2010	Plan Target by 2010	MDG Target 2015	Difference (2010 data-Plan Target)
- Prevalence of Underweight Children aged 0-5 years old		6.81			
- Prevalence of Severely Underweight 0-5 years old		1.28			
Pre natal care percent coverage	68.71	68.34	80.26	95.00	-11.92
Post natal care percent coverage	88.00	58.84	80.95	95.00	-22.11
Access to safe water supply (percent to total HHs)	92.61	91.70	91.00	100.00	+0.7
Access to sanitary toilet facilities (percent to total HHs)	73.06	76.41	85.04	83.80	-8.63
Contraceptive Prevalence Rate (NDHS)	53.3 <sup>**</sup>	60.32	59.17	80.00	+1.15
Percent of births assisted by skilled attendants	77.79	82.59	96.57	-	-13.98

\*Data not comparable due to change in the use of standard from International Reference Standards to Child Growth Standards in 2010; \*\* NDHS;// no target due to absence of baseline data in 1990 Source: DOH-CHD 10

Access to safe water slightly surpassed the plan target due to LGUs' continuing chlorination, supervision and monitoring of sanitary inspectors on water potability and strict adherence to the environmental sanitation code. Sustained efforts along this concern is critical to attain a 100 percent coverage by 2015. Meanwhile, access to sanitary toilet facilities is below the plan target but already surpassed the MDG target by 2015. The full support of the LGUs on the provision of toilet bowls, as well as monitoring their use is critical to ensure environmental protection and prevent the prevalence of water-borne diseases.

In support to the Millennium Development Goals, the Department of Health is increasing its efforts to achieve the goal of National Tuberculosis Program (NTP), which is to reduce the prevalence, incidence and mortality of TB by 50 percent in 2010 and beyond 50 percent thereafter from a baseline established in 2000. Updates on NTP initiatives indicate that Region 10 was able to reach case detection rate of 79 percent, way beyond the target of 70 percent. Moreover, treatment outcome on children with TB shows 89 percent treatment success. In 2010, TB Cure Rate was 94 percent, higher by four percentage points than the standard target of 90 percent. This has been consistent since year 2007. This is attributed to the continuous capability building of TB-DOTS providers and the annual review of program implementation. The partnership and collaboration of DOH-10 with private sectors (such as Philippine Coalition Against Tuberculosis (PhilCAT), which aims to fight TB through unified action has also helped in sustaining its program on Comprehensive and Unified Policy (CUP) for Tuberculosis Control in the Philippines. Likewise, regular monitoring of its Public-Private Mix DOTS (PPMD) Units and all Local Government Units is continuously conducted.

As of 2010, there are 1,145 Botika ng Barangays (BnB) established, an increase of 159 from the 2009 level (986) and higher by 131 than the plan target of 1,014. Accessibility and availability of safe, quality, low-priced generic drugs helped in providing better health services, particularly in the marginalized, underserved and hard to reach areas. Intensive

advocacy to the LGUs at all levels, trainings/orientation and provision of BnB kits contributed to the increase of established BNBs.

Fully immunized children (FIC) reached 92.7 percent coverage in 2010, higher than its target of 90 percent. The purposive adoption of the Reaching Out Every Barangay (REB) strategy and the Expanded Program on Immunization (EPI) defaulter tracking system, along with the continuing provision of supplies needed for immunization, and capability building to health providers and implementers attributed to the increasing coverage of FIC. Monitoring and evaluation was also undertaken to areas with low coverage.

Although higher than the coverage in 2009 (31.4%), iron supplementation (with folic acid) remained low at 57.6 percent in 2010 and lower than the target of 100 percent. Apart from the augmentation of iron supply from CHD-NM, the LGUs have to provide more resources in order to expand coverage for this program.

Dengue cases more than doubled in 2010 at 7,570 from the previous year's level of only 3,123. Case fatality rate in 2010 was one percent, lower than 1.02 percent in 2009. Its target by 2015 is less than one percent. Several measures are implemented to reduce incidence and case fatality. The Northern Mindanao Dengue Commission in partnership with the LGUs and other government agencies focused on the standardized treatment and management of dengue cases throughout the region. Dengue brigades at the barangay level are organized to conduct house to house campaign, and regularly monitor and conduct surveillance on dengue cases. Continuing IEC and orientation along dengue prevention and control involving the schools are undertaken by the LGUs with technical assistance and support from the CHD-NM. Areas with high dengue incidence were provided with the needed supplies like olyset net roll and K-othrine insecticide tablets.

Gaps in terms of health personnel to population ratio particularly for government physicians and dentists continue to persist in the region as follows:

Health Personnel	Estimated Ratio to Population (2010)	Standard Ratio
Government Physician	1:30,650	1:20,000
Public Health Nurse (PHN)	1:16,707	1:20,000
Rural Health Midwife (RHM)	1:4,210	1:5,000
Dentist	1:51,330	1:50,000

Source: DOH-CHD 10

It is evident that there is inadequacy in terms of medical doctors serving at the RHU or municipal level. The provinces of Bukidnon and Lanao del Norte lacked 29 and 15 doctors, respectively. The CHD-NM has augmented the number of RHM and PHN to respond to the basic health services of the populace at the local level.

The region has 184 hospital facilities, 110 are government and 74 are privately owned and managed with a total of 19,731 bed capacity. The estimated bed to population ratio is 1;22,094.

#### **Family Planning**

The contraceptive prevalence rate slightly declined from 55.2 percent in 2003 (34.6% for modern methods and 20.6% for traditional methods) to 53.3 percent in 2008 (38.5% for modern methods and 14.8% for traditional methods), as reported in the National

Demographic Health Survey for said years. The reasons cited for the reduction are the following: shortage of contraceptives due to phase-out of contraceptive donations by the USAID, non-allocation of national budget for the purchase of contraceptives and some LGUs/local chief executives are averse to the idea of purchasing contraceptives due to personal biases.

The CPR administrative data of CHD-NM in 2010 was 60.32 percent, much higher than the previous year's level of 43.75 percent. This was attributed to the MNCHN grant to all LGUs which provided funding in the purchase of FP/NFP commodities, and the continuous training among nurses and midwives on FP/NFP at the local level.

Despite willingness to practice family planning, 17.4 percent of the married couples in the region do not use any method because of fear of side effects and other health reasons, husbands' objections, culture, tradition and religious belief (2005 Family Planning Survey).

Based on the 2008 NDHS, unmet need for family planning went up from 16.4 percent in 2003 (5.1 for spacing and 11.3 for limiting) to 18.7 percent in 2008 (11 for spacing and 7.7 for limiting). Ideally, unmet need for family planning should be zero. Moreover, the total fertility rate (TFR) of women in the region is 3.3 children, higher by one child of the wanted fertility which is 2.3. Couples of reproductive age are not able to meet their fertility intentions for various reasons including limited access to reproductive health and family planning information and services and those cited above.

The Responsible Parenting Movement (RPM) which is the core strategy of the national government in promoting responsible parenting and natural family planning (NFP) as a grassroots campaign was vigorously pursued. As of 2010, there were 7,301 RP/NFP classes conducted in 1,784 barangays (88% of the total of 2,020 barangays) in the region. These classes have trained 71,177 couples. Another important undertaking is the adoption of the Contraceptive Self-Reliance Strategy (CSR) among the LGUs to ensure continuous provision of FP supplies to eventually eliminate unmet need for FP. It also provides for the orderly transition from externally donated contraceptives to domestically provided commodities for FP.

#### **Health Insurance**

As a result of PhilHealth's intensive marketing strategies, health insurance coverage steadily improved in the past ten years including in 2010. The number of enrolled individuals increased from 1,156,719 in 2009 to 1,355,725 in 2010. This 17 percent increase is attributed to the increasing coverage of indigent families which surpassed the 2010 target by 12 percent. The LGU-sponsored health coverage of indigent families helped in the improvement of the health situation of the populace. Other sponsored programs were those from AFP-CAFGU and the Philippines Veterans Administration Office, and those enrolled during the conduct of the National PhilHealth Registration Day (NPRD).

Out of the 58,352 beneficiaries allocated for enrollment under the DOH Sponsorship, only 13,453 beneficiaries listed under the National Household Targeting System (NHTS) were enrolled during the conduct of the NPRD. Some of those listed under the NHTS were found out to be either enrolled under the other sponsors or covered as qualified dependents of a primary member and some were not able to comply with the required supporting documents needed for them to be registered.

TABLE 49. HEALTH INSURANCE MEMBERSHIP COVERAGE REGION 10: 2009 AND 2010

Sector	2009 Enrollment	2010 Target	2010 Enrollment	2010 Accomplish- ment Rate (%)	% Change
Government	93,221	95,899	95,879	99.9	2.8
Private	253,823	271,640	288,197	106.1	13.5
Individually Paying Members (Self- Employed)	200,994	212,491	216,808	102.0	7.9
Overseas Workers Program	54,512	61,188	61,509	100.5	12.8
Lifetime Member Program (Retirees/Pensioners)	23,440	27,095	26,920	99.4	14.8
Sponsored Program (Indigent Members)	530,729	594,055	666,412	111.8	25.6
Total	1,156,719	1,262,368	1,355,725	107.4	17.2

Source: PhilHealth-10

Health insurance collection likewise posted an increasing trend with a 10 percent growth between 2009 and 2010. In 2010, the total amount collected from the sponsored program reached P268 million which was 97 percent higher than its target and nine percent higher than the previous year's collection. The private sector which posted an eight percent increase during the same period constituted the bulk at 34 percent to the total collections of the region.

TABLE 50. HEALTH INSURANCE COLLECTION REGION 10: 2009 AND 2010

Sector	2009 Collection (P000)	2010 Target	2010 Collection (P000)	2010 Accomp. Rate (%)	% Change
Government	240,890	269,689	272,620	101.1	13.2
Private	300,792	361,968	325,420	89.9	8.2
Individually Paying Members (Self- Employed)	72,899	76,557	79,838	104.3	9.5
Overseas Workers Program	9,020	9,354	10,678	114.2	18.4
Sponsored Program (Indigent Members)	245,373	136,097	268,243	197.1	9.3
Total	868,974	853,665	956,799	112.1	10.1

Source: PhilHealth-10

As of 2010, PhilHealth has accredited 102 hospitals (42 primary, 38 secondary and 22 tertiary) with a total bed capacity of 5,012. It also accredited 42 MCPs, 42 TBDOTs, 87 RHUs and 1,182 health professionals. The accreditation of LGU RHUs has been accelerated to avail of the PhilHealth Capitation Fund and to deliver the outpatient benefits to the sponsored members. Total capitation fund releases in 2010 reached P 168.377 million. Misamis Oriental posted the highest at 33 percent of the total releases and closely followed by Bukidnon (31%). True to its commitment to provide quality health care, more benefit packages such as increasing the benefit delivery ratio, and an online system processing for more efficient response to claims are continuously pursued by the PHIC.

## e. Housing

#### **Housing Production**

Keeping in mind the country's commitment to the Millennium Development Goal of significantly improving the lives of slum dwellers by 2020, the region is continually working towards the provision of safe and affordable housing and security of tenure to its constituents especially among low-income families.

Overall, for the year 2010, the housing sector accomplished 62.6 percent of its housing provision target or 3,022 accomplished housing units of the 4,824 targeted units. This is five percent lower than the previous year's accomplishment of 3,194 units.

Meanwhile, accomplishments along socialized housing has not reached half of its target at 43.3 percent. In contrast, for economic housing, its accomplishment has exceeded its target by five percent. This only means that majority of the lower income group is still having difficulties in attaining security of tenure mainly due to affordability issues, hence, demand for housing has decreased. In terms of housing units provided, socialized housing comprised 47.5 percent of the total units, with economic housing at 52.5 percent. In terms of loan value released, 16.6 percent and 83.4 percent went to socialized housing and economic housing, respectively.

While the housing need is still high, the demand has not increased due to affordability issues especially among middle-low income earners. Most of these families are putting on hold to materialize their plans on owning a house/lot because of priority expenses such as food and school fees. On the other hand, the developers also shied away from investing into socialized housing because of the spiraling costs of construction materials, labor plus the ever increasing land prices. Also, most socialized housing projects are limited to mere compliance of the provision of the Urban Development and Housing Act (RA 7279) in which developers are obliged to allocate/develop 20 percent of their economic housing area or cost for socialized housing.

Pag-IBIG through its Retail Lending is still the top contributor in housing provision which accounts to 79 percent of the total accomplishment and 48 percent of the total target.

Meanwhile, the Community Mortgage Program (CMP) intended for low-income earners has not made an accomplishment for the year. However, as of 2010, a total of 13 associations with an aggregate number of members of 1,782 families have already enrolled with CMP and are on different stages of application. The loan value of these projects is estimated at PhP137 million. The final approval and release of these loans is dependent on the associations' ability to comply with the documentary and/or technical requirements and

equity. Originators from the private sector are also assisting the various urban poor associations (UPAs) in complying their documentary requirements and in building up their capacities along organization and savings scheme.

The Resettlement Program of NHA, another program for low income earners, has also not made any accomplishment. Although they have targeted one project in the PHIVIDEC area with costing of PhP40 million for 1,025 units, the management has yet to approve the project. The NHA continues to assist the various poor associations in the preparation of the technical aspects like survey and preparation of subdivision plans.

Pag-IBIG has likewise continued their strong partnership with the private sector through financing the units being developed by private developers. In fact, around 70 percent of the units financed by Pag-IBIG are projects of various developers. Also, it extended developmental loans for the year in which PhP23.3 million was released from the PhP192 million that was approved.

#### **Other Housing Assistance**

Along regulation and planning, HLURB has issued a total of 200 permits which is 113.97 percent above the plan target. It is also noteworthy to mention that development permits and Licenses to Sell were issued to condominium projects in Cagayan de Oro City. Also, of the 34 Comprehensive Land Use Plans (CLUPs) targeted for review and approval, 75 CLUPs were reviewed and approved, posting a 220 percent accomplishment.

In ensuring the security of tenure for low-income families, the HUDCC/Pre Proc Committee conducted CSW and endorsed to its central office three proclamation applications. The HUDCC central office has likewise endorsed these to the Secretary of DENR. The President has yet to issue said Presidential Proclamations. In the year 2010, no presidential proclamation (declaring an area for socialized housing site) was issued. This is perhaps due to the change of administration, hence, the slowdown in the issuances of such.

It is important to note that the Livelihood Assistance (DPUCSP loan), an ADB assisted project, was not availed/enrolled by the LGUs because of its perceived high interest rate.

In prioritizing the improvement of the quality of life of Filipinos through the creation of a single focused government agency which should synchronize, coordinate and implement the country's shelter programs nationwide, a bill for the creation of Department of Housing is filed anew with the latest Congress.

TABLE 51. HOUSING SECTOR TARGETS AND ACCOMPLISHMENTS REGION 10: 2010

PRODUCTION	Agency	2010 Targets	Accomplish ment (No. of Housing Units*)	Total Loan Value (PM)		nare in of total Value
1. Total Housing Production		4,824	3,022	1,449.586		
1.1 Socialized Housing		3,319	1,436	241.131	100	100
Resettlement (Sites and Sites Joint Venture/Tech Assistance)	NHA	1,025	71	-	5	-

PRODUCTION	Agency	2010	Accomplish ment (No. of	Total Loan		nare in of total
,		Targets	Housing Units*)	Value (PM)	Unit	Value
Community Based (Community Land Acquisition and Support Program (CLASP) and Land Tenurial and Assistance Program (LTAP))		947	617	2.536	43	1
Community Mortgage Program (CMP)	SHFC	361	-	-	-	-
Expanded Housing Loan Program (EHLP)	HDMF	986	748	238.595	52	99
1.2 Economic/Open Housing		1,505	1,586	1,208.455	100	100
Expanded Housing Loan Program	HDMF	1,505	1,586	1,208.455	100	100
2. Other Housing Assistan	ce					
2.1 Institutional Loan Financing (5 Projects)	HDMF	no target	f.	23.300		
2.2 Regulation and Plannir						
CLUPs for approval/ monitored/assisted (No. of LGUs)	HLURB		75	-	-	-
Training on CLUP formulation (No. of LGUs)			32	-	-	-
License to Sell issued			24	-	-	-
Certificates of Registration			25	-	-	-
HOA Certificates of Registration			22	-	-	-
No. of HOAs monitored/supervised			316	-	-	-
2.3 Adjudication of Cases						
No. of cases disposed (REM & HOA)			11	-	-	-
3. Collection (PhP million)	Total	no target	-	1,003.858	-	100
	HDMF	no target	-	912.579	-	91
	NHMFC	no target	-	77.495	-	8
	SHFC	no target	-	6.846	-	1
	NHA	no target	-	6.938	-	1

Source: HUDCC-10 (Reports submitted by NHA, HDMF, HLURB, HGC, NHMFC, GSIS, LBP, SHFC)

## g. Social Welfare Services

## **Convergence Framework for Poverty Reduction**

The convergence framework, also known as the Public Private Partnership (PPP) Pathway out of Poverty which converges the three key poverty reduction programs of the government: Pantawid Pamilyang Pilipino Program (4Ps), Kapit-Bisig Laban sa Kahirapan – Comprehensive and Integrated Delivery of Social Services (KALAHI-CIDSS), and Self-Employment Assistance – Kaunlaran (SEA-K) is adopted during the year. It aims to

maximize the impact of poverty reduction programs through an effective targeting system and a holistic community development approach.

Protective

\*Entrepreneurship
-Wealth creation

\*Entrepreneurship
-Wealth creation

\*Economically
Active Poor

Provention
- Accountability
- Building Social
Capital

\*Prevention
- Protection
- Investing in human
capital

\*Protective

\*Provention
- Investing in human
capital

FIGURE 14. CONVERGENCE FRAMEWORK FOR POVERTY REDUCTION

The three-pronged poverty reduction approach responds to the unique contexts of various segments of the poor. Sensitive to the capacities and needs of the people, each of the three programs has its own strategies and outputs. In every stage of development, both public and private sectors have identified their contributions for the improvement of the beneficiaries' well being.

#### Pantawid Pamilyang Pilipino Program (4Ps)

The program, otherwise known as Conditional Cash Transfer (CCT), registers 88,223 beneficiaries in 42 municipalities and three cities in the region. It aims to address extreme poverty and low human capital of the poorest households by linking its conditionalities with key health and education indicators. It further addresses the following Millennium Development Goals: a) Reducing extreme poverty and hunger; b) Achieving universal primary education; c) Reducing child mortality; d) Improving maternal health; and e) Promoting gender equality and empowering women.

TABLE 52. PANTAWID PAMILYANG PILIPINO PROGRAM AREA OF COVERAGE, REGION 10, CY 2010

Province	No. of Barangays	No. of Registered Beneficiaries	Cash Grants Released (Pesos)
Lanao del Norte	358	42,699	368,906,000
Misamis Occidental	220	19,827	141,115,610
Bukidnon	142	18,337	93,817,900
Misamis Oriental	37	6,759	48,887,383
Camiguin	5	601	3,232,000
Total	762	88,223	729,975,093

Source: DSWD-10

The registered household beneficiaries of the program are those included in the list of potential household beneficiaries derived from the National Household Targeting System – Poverty Reduction (NHTS-PR) database. From the list of poor households, a proxy means test was performed to identify the potential beneficiaries of the program. The criteria for the household to be eligible are: a) it is identified as poor household, b) presence of 0-14 years

old dependent/s, c) residency within the covered area of the program, and 4) willingness to comply with the conditions of the program. When the list of potential household beneficiaries is finalized, a validation is done before the list of registered household beneficiaries is generated. Not all potential beneficiaries are included in the program since some have no 0-14 years old while others have transferred their residences during the program's registration.

Three major systems are installed to monitor the registered household beneficiaries' status and their compliance to the conditions of the program. The Beneficiary Update System (BUS) is installed to cater to any changes in the current status of the household such as change of residence, change of school, change of health center, change grantee, etc. The Compliance Verification System (CVS) monitors the compliance of the beneficiaries. Basically, the schools and the health centers covered by the program were given CVS forms to be filled-out by the principals and the midwives. The CVS results will then be the basis for the payment of the complaint beneficiaries. The third system, the Grievance Redress System (GRS), is put in place to cater to all queries and complaints by both the beneficiaries and non-beneficiaries. It is expected that grievances will be resolved in a transparent and timely manner through the GRS,

With the on-going expansion of the program set for 2011 (with 125,661 potential additional beneficiaries in the region), it is expected that there will be a growth in the demand for the supply-side such as teachers, classrooms, education materials, qualified health personnel, medical equipment, vaccines, and medicines. It is therefore a challenge to the program to be able to ensure that adequate services on the supply-side will be given to the beneficiaries. A strengthened partnership with the program's stakeholders especially with the LGU, DOH, and DepEd will greatly contribute to its efforts. Likewise, the institutional arrangements should be clarified to ensure the lines of authority and accountability, including administration and services to be in place.

## **KALAHI-CIDSS Expansion and Makamasang Tugon**

The implementation of KALAHI-CIDSS (KC) in the region continues to empower communities through enhanced participation, local governance, transparency and accountability in community projects that reduce poverty. The Makamasang Tugon (MT) was developed to harmonize the Community Driven Development (CDD) approach of KALAHI-CIDSS in the Local Planning Process (LPP) of the local government.

Community empowerment is more than the involvement, participation or engagement of communities. It implies community ownership and action that explicitly aims at social and political change. Communities went through series of orientations that gave emphasis on how each partner recognizes their respective roles and how each one contributes to the success of the project. The orientation serves as a venue and activity to harness the excitement and commitment of the municipal and barangay partners to join hands in empowering the community through the KALAHI-CIDSS expansion program.

In 2010, a total of 30 municipalities have been added as expansion areas nationwide which included the municipalities of Kapatagan and Lala in Lanao del Norte and Bonifacio and Sinacaban in Misamis Occidental. A total of 105 communities are empowered under the program.

Out of the 22 sub-projects (SPs) prioritized and implemented in the municipalities of Kapatagan and Bonifacio, 54 percent of the projects were completed as of February 2011 amounting to PhP16.131 million. These projects include, among others: water system, drainage canal, farm to market road, day care center, health center and solar drier. The other SPs are projected to be completed in the first quarter of 2011 based on its six-month KC timeline. On the other hand, there are 13 sub-projects prioritized in the municipalities of Lala and Sinacaban to be implemented in 2011 after completing the social preparation stage.

The Makamasang Tugon is implemented in three municipalities which are old KALAHI-CIDSS areas: Lopez Jaena and Concepcion in Misamis Occidental and Bacolod in Lanao del Norte.

#### **Livelihood Assistance**

The Self-Employment Assistance Kaunlaran (SEA-K) program supports the economically active poor through community driven enterprise development. In 2010, a total of 65 SEA-K Associations (SKAs) were given cash assistance amounting to PhP10.181 million to promote the well-being of 1,841 beneficiaries. The rollback remittances recovery rate of the program was 77 percent.

The program enables the poor to have access to credit, increase their income, enhance socio-economic skills, and develop positive entrepreneurial values. To support this program, private sector partners complement government initiatives through assistance in the following areas: enterprise development, microfinance, business development services, and market matching.

There were 38 livelihood programs funded under the DOLE Kabuhayan Program with a release of PhP10.093 million benefitting 2,995 workers in the informal and formal sectors. The beneficiaries availed of the said projects through the Livelihood Formation and Livelihood Enhancement strategies.

## National Household Targeting System for Poverty Reduction (NHTS-PR)

The NHTS-PR is a data management system that *identifies who and where the poor* are in the country - giving a "human face" to statistics. The enumeration conducted in 2010 covered 73 municipalities with 561,411 households. Among the provinces, Bukidnon recorded the highest number of households enumerated at 36 percent, followed by Misamis Oriental (30%), Lanao del Norte (20%) and Misamis Occidental (12%). Camiguin recorded the least number of households enumerated at two percent.

The On-Demand Application (ODA) was conducted to ensure that all qualified poor households are included in the database of the poor. Basically, those households that were not included in the enumeration previously conducted by the NHTS-PR in covered areas were given the opportunity to apply for an assessment to be included in the database of poor households. In the said activity, a total of 39,375 applications were received from identified areas in Bukidnon, Camiguin, and Misamis Oriental. Of this total, 44 percent or 17,325 applications were denied because they were already enumerated. Meanwhile, the accepted applications were for further reassessment. Misamis Oriental recorded the highest number of applicants.

#### **Indigenous Peoples (IPs)**

The indigenous peoples population is estimated at 980,385 with nine ethnic tribes inhabiting the region: Subanen, Umayamnon, Pulangihon, Higaonon, Talaandig, Kamigin, Manobo, Matigsalog and Bukidnon Higaonon.

The delivery of basic socio-economic services to IPs was intensified through the provision of financial assistance on traditional craft projects (e.g. mat weaving and necklace-accessories making), carabao dispersal and the establishment of training center for socio-economic services and sustainable development – Phase I. Through the NCIP Education Assistance Program, 53 IP grantees were provided with scholarship. The IP clients were also given assistance on legal matters including the facilitation of the free, prior and informed consent (FPIC) issues and land disputes between conflicting parties.

The School of Indigenous Knowledge and Traditions (SIKAT) program envisions a system at par with mainstream education, founded on the ways of life, traditions and culture of indigenous peoples. There are four SIKAT schools established in the region which are duly recognized and supported by the Department of Education: a) Balubal, Cagayan de Oro City; b) Limunsudan, Iligan City; c) Guilang-Guilang, Monolo Fortich and d) Quezon, Bukidnon. The program is complemented by NCIP's priority program of documenting the indigenous knowledge systems and practices (IKSPs) and customary laws of the different indigenous cultural communities in tandem with the IPs themselves.

The tribes of Higa-onon and Subanen in the following areas were assisted in the delineation and recognition of ancestral lands and domains.

TABLE 53. DELINEATION AND RECOGNITION OF ANCESTRAL LANDS AND DOMAINS DBM FUNDED PROJECTS, AS OF SEPTEMBER 30, 2010

Project Location	Project Cost (In Pesos)	Claimant Tribe/Clan
Lubilan, Naawan, Misamis Oriental	412,264.00	Higa-onon
Central Mindanao University (CMU), Musuan, Maramag, Bukidnon	127,095.00	Higa-onon
Balungkot, Dansolihon, Cagayan de Oro, Misamis Oriental	824,760.00	Higa-onon
Namut, Tudela, Misamis Occidental	617,000.00	Subanen
Portion of Sagay, Catarman, Mambajao, Camiguin	516,012.00	Kamigin
Portions of Cabanglasan, San Fernando, Impasug-ong and Malaybalay, Bukidnon	794,325.00	Higa-onon
Guilang-guilang, MonoloFortich (Bukidnon)	524,466.00	
Lantad, Balatukan, 1st District, Misamis Oriental	1,642,045.00	Higaonon
Dukdukaan, Kalanangan, Impaluhod, Baliguhan Eurika, Gingoog City, Misamis Oriental	601,270.00	Higaonon

Source: www.ncip.gov.ph

The Indigenous Peoples Rights Act (IPRA) requires that development programs, projects, and activities must be developed along the four bundles of rights: a) recognition and protection of ancestral domain/land rights, b) self-governance and empowerment, c) cultural integrity, and d) social justice and human rights. The Indigenous Peoples Master Plan, 2011-2016 serves as a blueprint in terms of policies and programs that the government intends to implement within ancestral domains. It provides development direction to the IP sector and converge programs, projects and services in support to the implementation of Ancestral Domain Sustainable and Development and Protection Plan (ADSDPP) or its equivalent plan adopted by the ICCs/IPs.

The IPRA states that the "ICCs/IPs concerned shall prepare their own ADSDPP in accordance with their customary practices, laws and traditions". In the region, there are four on-going ADSDPP formulation. Coordination with the concerned LGUs for the integration of ADSDPP in the local plans is being strengthened.

#### Worker's' Welfare

The protection of the rights and welfare of formal and informal workers was vigorously intensified. The Kasambahay Bill, pending at the Lower and Upper House, provides a great leap not only for the household workers in the Philippines, but also for the Filipino domestic workers overseas. This pro-poor bill is expected to benefit two million domestic workers. Aside from the pay standardization, the measure likewise requires employers to shoulder the premiums for their helpers' benefits in the Social Security System (SSS), Philippine Health Insurance Corporation (PhilHealth), Home Development Mutual Fund or Pag-IBIG Fund, and the Employees Compensation Commission (ECC).

The Occupational Safety and Health Centers (OSHCs) continue to advocate programs of safeguarding the workers' social and economic well being, as well as physical safety and health. During the year, 33 employers were provided with OSH interventions thru lectures and information dissemination covering 993 workers. Meanwhile, the DOLE's Family Welfare program serviced a total of 209 firms benefitting 15,304 workers. The program has created a total of five associations of Provincial Family Committees in the region.

A total of PhP9 million was generated from 7,976 Overseas Filipino Workers (OFWs)/payors for their membership contribution. The establishment of linkages and convergence with other institutions was aggressively pursued to strengthen areas of cooperation with its partners from the LGUs, OFW groups, religious sector, academe, hospital/medical institutions, tri-media and other government and private entities. This is being done to enhance and ensure success of implementation of the labor program's thrusts and priorities.

OFW families were extended the amount of P6.5 million for death benefits arising from death of 50 OWWA-members OFWs (with valid OWWA membership coverage at the time of death). This posted an increase of 47 percent in terms of death incidents involving active OWWA members compared to 2009. It is good to note that the local government of Alubijid donated a lot for the construction of an OWWA hospital facility for OFWs. It is a 50-bed capacity hospital amounting to P100 million, co-shared by OWWA and the Province of Misamis Oriental.

About 22 OFWs and dependents were granted free skills training under OWWA's Skills and Employment Scholarship Program (SESP). The beneficiaries received tuition fees paid to TESDA accredited training centers where OFWs and dependents are enrolled in vocational and technical courses. The number of availees increased by 41percent in 2010 due to the global economic downturn prompting some displaced OFWs to seek skills enhancement. A total of 26 Seafarers were granted free skills enhancement training under the Seafarers Upgrading Program with an accomplishment rate of 130 percent during the same period.

The Education and Livelihood Assistance Program (ELAP) was launched in 2010 with 51 enrolees in the elementary, high school and college under the education component

and 101 availees under the livelihood component with total funding of P1.94 million. This is a special scholarship program for dependents of deceased OWWA-member OFWs.

Likewise, six OFW children qualified for the Education for Development Scholarship Program for SY 2010-2011 while 51 dependents of active OWWA-member OFWs receiving a salary rate of not more than USD400.00 a month from foreign employers were initially identified as first recipients of the newly implemented OFW Dependents' Scholarship Program.

Under the Welfare Assistance Program (WAP), 495 welfare cases were facilitated involving non-communication and non-financial support from OFWs to their family back home, maltreatment by employers, overwork, poor working condition, non-payment of salaries, sexual harassment, imprisonment, hang of contract, drug case, and other personal problems.

#### **Worker's Reintegration program**

As the government's simple of way of recognizing OFW's valuable contribution in keeping the economy afloat, the government intends to empower the OFW sector by providing various types of capability and skills training to improve quality of life, granting livelihood loan and financial package, maintaining family relationship while the OFWs are away from their family and preparing them for their return.

## **Infrastructure Development**

The infrastructure sector continues to play a crucial role in stimulating economic and social development activities in the region. The provision and upgrading of needed infrastructure is critical in improving productivity, connectivity/mobility and enhancing capacities of local/regional, national and global economies. The ongoing construction of the Laguindingan Airport further increased the prospects for investment opportunities in the region.

## a. Transportation

## **Land Transportation**

#### **Roads and Bridges**

All national roads and bridges, including the maintenance of traffic safety devices and other road signages necessary to provide convenience and safety to the traveling public, are continuously maintained by the Department of Public Works and Highways (DPWH). The ongoing construction of key road infrastructure projects opens up new economic opportunities, reduce transportation and transaction costs of business, and increase access to social and economic services.



Road Maintenance - Painting of railings along the Iligan-Cagayan de Oro-Butuan Road

Under the Accelerated Hunger Mitigation Program of DPWH, which is one of its job creation programs, workers were hired for roadside maintenance. A total of PhP55.149 Million was allocated for the roadside maintenance project of DPWH, sourced out from the Motor Vehicle Users Charge (MVUC). Computer systems, such as the Road and Bridge Information Application (RBIA) and Pavement Management System/Highway Development

Management-4 (PMS/HDM-4 are put in place in DPWH to improve programming and prioritization in implementing roads and bridges projects.

Road development in the region remains a priority. The national road network in the region has a total length of 1,898.32 kilometers. There are 1,294.94 kilometers of national road that are paved while almost 32 percent (603.38 kilometers) of the total arterial and secondary roads are still unpaved. These roads are mostly located in the province of Bukidnon. For the arterial road network, unpaved roads are located in the provinces of Bukidnon and Misamis Oriental and in Iligan City. Under the secondary road network, unpaved roads are present in all provinces except in Camiguin.

TABLE 54. NATIONAL ROADS (ARTERIAL AND SECONDARY) LENGTH INVENTORY REGION 10: AS OF 31 DECEMBER 2010

Province/ City	Arterial Road (km)			Seco	Secondary Road (km)			
	Paved	Unpaved	Sub-Total	Paved	Unpaved	Sub-Total	Total	
Bukidnon	267.481	99.413	366.894	143.457	291.832	435.289	802.183	
Camiguin	64.165	-	64.165	-	-	-	64.165	
Lanao del Norte	140.459	-	140.459	79.968	72.316	152.284	292.743	
Misamis Occidental	133.402	-	133.402	70.907	30.580	101.487	234.889	
Misamis Oriental	242.479	39.575	282.054	24.531	0.795	25.326	307.38	
Cagayan de Oro	34.143	-	34.143	44.999	3.255	48.254	82.397	
lligan	36.632	56.411	93.043	12.317	9.201	21.518	114.561	
Regional Total	918.761	195.399	1,114.160	376.179	407.979	784.158	1,898.318	

Source: DPWH-10

In 2010, various infrastructure programs and projects including construction of classrooms were implemented by the DPWH-10. (Details of the classroom construction is discussed under Social Infrastructure). There were 751 projects planned for implementation in 2010. About 65 percent (489 projects) of the planned projects were completed while 17.7 percent (133 projects) are ongoing and approximately 17.2 percent (129 projects) have not yet started implementation. The total funding released for the period amounted to about PhP 5.10 billion. Actual weighted physical accomplishment as of December 2010 is 67.2 percent, slightly surpassing the target by 1.18 percentage points. Road right-of-way (RROW) acquisition remains a major challenge in the implementation of road and bridge projects.

TABLE 55. ACCOMPLISHMENTS OF DPWH-IMPLEMENTED PROJECTS REGION 10: AS OF 31 DECEMBER 2010

Funding	CY 2010 Released	Physical Accomplishment (%)			Number of Projects			
Source	Funding (PhP '000)	Target	Actual	Slippage	Completed	Ongoing	Not Yet Started	Total
DPWH Regular Projects	5,029,820	63.73	64.97	1.24	89	32	59	180
Lower House	276,900	32.47	35.15	2.68	208	23	51	282
Party List	41,200	81.26	81.56	0.30	20	5	3	28
Various Infra including Local Projects	905,600	98.71	98.70	-0.01	172	73	16	261
Total	5,099,548	66.01	67.20	1.18	489	133	129	751

Source: DPWH-10 RPMES Report

High impact projects under the DPWH Regular Infrastructure Program DPWH-10 are also continuously implemented.

TABLE 56. STATUS OF HIGH IMPACT PROJECTS IMPLEMENTED BY DPWH-10 REGION 10: 2010

REGION 10: 2010					
Project	Description				
Completion/Continuation of Cagayan de Oro (CDO) 3 <sup>rd</sup> Bridge and Access Road (Construction of Cagayan de Oro City By Pass Coastal Road)	The project involves the construction of 12.77-kilometer access road (coastal road and bridges). This new road network serves as the alternate route for east and west bound vehicles bypassing the national highway. It is expected that traffic shall be significantly reduced along the Bulua-C.M. Recto Avenue Section up to Gusa of the Iligan-Cagayan de Oro-Butuan Road.				
	The road links the City Port Road in Puntod, Cagayan de Oro City with the National Highway in Opol, Misamis Oriental at the western side and the Gusa Section to National Highway at the eastern side. The 352-meter long, four-lane CDO 3 <sup>rd</sup> Bridge structure is already completed and passable by commuters.				
	Road concreting and bridge construction activities are ongoing along the Igpit-Bayabas (5.968 kilometers) and Lapasan sections (0.88 kilometer). The 2.56 kilometers Lapasan-Puntod and Gusa sections are still for funding.				
Iligan City Circumferential Road (C-3)	The road project involves the concreting of 10.01 kilometers two-lane circumferential road and construction of three bridges (Pugaan, Baraas-Merilla and Tomas Cabili bridges). The total project cost is about PhP738.095 Million. As of December 2010, total funding released for the project is PhP363.095 Million or 49 percent of the total project cost. Additional funding of PhP375.00 million is needed to complete the project.				
	As of December 31, 2010, actual physical accomplishment (based on amount released) is 68.89 percent, behind the target by 2.95 percentage points.				
	<ul> <li>Other activities undertaken were:</li> <li>Payments for the affected families along the proposed Pugaan and Iligan Bridges is ongoing utilizing the PhP3.0 Million of LGU Iligan City;</li> <li>Survey ongoing – realignment along one private property (Borja Family) as proposed by the LGU-Iligan City; and,</li> <li>Global Steel Corp. has issued permit to enter its premises for the construction of 980 meters road section of the project.</li> </ul>				
Construction of Ozamiz City Bypass Road	The proposed bypass road has an approximate length of 6.11 kilometers with a 40.0 lineal meter RCDG bridge component. The project has an estimated project cost of about PhP520.0 Million.				
	A total of PhP170.0 Million (32.7% of project cost) has been released for the project and constructed about 1.33				

Project	Description			
	kilometers of road (21.8% of total length).			
	Completed Section – 1.33 km  Completed Section – 1.33 km  Aerial View of the Ozamiz City Bypass			
Mindanao East-West Lateral Road (Bukidnon-Iligan Road)	The project covers concreting of two lane road from Sta. Filomena, Iligan City down to Ticalaan, Talakag, Bukidnon and to Sayre Highway at Aglayan, Malaybalay City. The road ends at Barangay Zamboanguita, boundary of Bukidnon and Agusan del Sur. The total length of the road is about 228.8 kilometers. The estimated project cost is PhP4.28 billion. Ongoing road concreting activities covers only the Iligan Section of about 6.8 kilometers.			
Kapalong-Talaingod-Valencia Road (Sitio Kalagangan-San Fernando Proper-Valencia Proper Section)	The road project starts at the Municipality of Kapalong, Davao del Norte, about 20 kilometers from the Pan-Philippine Highway in Tagum City, the provincial capital, and passes through the municipalities of Talaingod, Davao del Norte and San Fernando, Bukidnon until it ends at the junctions of Sayre Highway in the City of Valencia, Bukidnon. The project has a total road length of 70.534 kilometers and 15 bridges with total length of 730 lineal meters. Total project cost is estimated at PhP 3.459 billion. The road is already motorable.			
	Actual physical accomplishment is 97.73 percent, ahead of target by 0.075 percentage points. An additional PhP1.534 billion funding is needed for rock excavation, base course, Portland Cement Concrete Pavement (PCCP), slope protection and drainage			

#### Farm to Market Roads

There were 72 farm to market road projects implemented in the region in 2010 with total target length of 103 kilometers. A total of PhP 188 Million was allocated for the FMR projects. Only five projects were completed, four are located in Misamis Oriental and one in Misamis Occidental. The rest of the projects are still in different stages of procurement. The projects are implemented by the LGUs and DPWH with the Department of Agriculture (DA) providing the funding support.

TABLE 57. FARM-TO-MARKET ROAD PROJECTS REGION 10: 2009

Fund Source/Location	No. of Projects	Length (km)	Allocation (PhP '000)
Bukidnon	14	13.83	40,000.00
Camiguin	15	8.58	25,000.00
Lanao del Norte	2	26.63	15,000.00
Misamis Oriental	15	16.22	33,000.00
Misamis Occidental	26	37.80	75,000.00
Total	72	103.06	188,000.00

Source : DA-10

### **Motor Vehicle Registration**

The volume of traffic passing through the major thoroughfares is one of the factors that affect the integrity of the road system in the region. In 2010, the total number of vehicles in the region increased by 9.25 percent, from 179,551 in 2009 to 196,151 vehicles registered in 2010. Although decreases were recorded in the annual registration of for hire and government vehicles, this was outweighed by the increase posted in the total number of private vehicles registered. Registration of diplomatic vehicles likewise increased by 33.33 percent while tax exempt vehicles decreased by 25 percent during the period.

TABLE 58. NUMBER OF MOTOR VEHICLES REGISTERED BY CLASSIFICATION AND MODE OF REGISTRATION REGION 10: 2009 AND 2010

Classification	Registration	Motor Vehicles Registered		
		2009	2010	% Change
Private	New	30,531	37,266	22.06
	Renewal	126,153	136,537	8.23
For Hire	New	499	332	-33.47
	Renewal	18,968	18,655	-1.64
Government	New	193	187	-3.11
	Renewal	3,201	3,167	-1.06
Diplomatic	New	0	0	0
	Renewal	3	4	33.33
Tax Exempt	New	0	0	0
	Renewal	4	3	-25.00
Total	New	31,223	37,785	21.02
	Renewal	148,329	158,366	6.77
Grand Total		179,552	196,151	9.25

Source: LTO-10

#### LTO Frontline Services

Frontline transaction services of the Land Transportation Office (LTO) in 2010 continued to increase in 2010. Thus, revenue collections significantly increased by 10.35 percent, from PhP359.170 Million in 2009 to PhP396.354 Million in 2010. Major contributors were the increases in number of motor vehicles registered (9.24 %), registration transactions handled (11.91%), licenses/permits issued (9.1%) and licenses transactions handled (8.2%). On the total number of apprehensions for the year, a 1.4 percent decrease was recorded from 17,761 violators in 2009 to 17,513 violators in 2010. This situation is

indicative that drivers are getting more responsible in the observance of traffic rules and regulations.

The E-Patrol of LTO significantly contributed in its continuing efforts to improve the motor vehicle registration process. The E-Patrol provides automated services in the renewal of registration and issuance of licenses and permits.

TABLE 59. LAND TRANSPORTATION FRONTLINE SERVICES REGION 10: 2009 AND 2010

Transaction/Services	2009	2010	% Change
Motor Vehicle Registered	179,552	196,151	9.24
Registration Transactions Handled	234,007	261,866	11.91
Licenses/Permits Issued	139,596	152,294	9.10
Licenses/Transactions Handled	197,722	213,938	8.20
Revenue Collection (In Pesos)	359,170,747.61	396,354,720.57	10.35
Apprehensions (No. of cases)	17,761	17,513	-1.40

Source: LTO-10

## **Air Transportation**

## Air Traffic

The 2010 combined annual comparative air traffic data of Lumbia Airport in Cagayan de Oro City and Labo Airport in Ozamiz City posted increase from the previous year's level. The total number of flights increased by 14.4 percent, which is 938 flights more than in 2009. More than 84 percent of the number of flights were recorded in Cagayan de Oro City Airport. The total incoming and outgoing passengers also increased by 21.5 percent and 18.9 percent, respectively. The volume of outgoing cargoes increased by 49.2 percent, higher than the increase in incoming cargoes at 22.5 percent.

TABLE 60. AIR TRAFFIC FLIGHTS, PASSENGERS, AND CARGOES CAGAYAN DE ORO CITY AND OZAMIZ CITY AIRPORTS REGION 10: 2009 AND 2010

	11201011 101 2000 71112 2010						
ladiantas		Incoming			Outgoing		
Indicator	2009	2010	% Change	2009	2010	% Change	
Flights	6,501	7,439	14.43	6,501	7,439	14.43	
Passengers	613,444	745,598	21.54	641,203	762,263	18.88	
Cargoes (kgs.)	7,668,856	9,392,498	22.48	10,889962	16,244,154	49.17	

Source: CAAP-10

### Laguindingan Airport Development Project (LADP)

One of the major flagship projects of the region is the PhP7.853 billion Laguindingan Airport Development Project. The airport serves as the major trunkline airport (of international standard) that highly supports the region's role of becoming a major transshipment hub of Mindanao. This major project shall further enhance the economic activities in the region, translating to more investments and employment opportunities for the people.



Aerial View of the Airport

The airport is targeted to be operational in 2012. The current developments are the contract packaging and procurement of the Air Navigation System and Support Facilities for the airport. The estimated cost of this component is PhP708.14 Million to be funded by the Korea Export and Import (KEXIM) Bank.



Operation and Control Tower

Construction activities for the main civil works (buildings and runway) are still ongoing. As of December 2010, the actual physical accomplishment was 75.09 percent, slightly ahead of schedule by 1.30 percentage points.

Land acquisition at the main airport site is almost completed at 390.95 hectares or 99 percent of the total 393.49 hectares. The remaining 2.54 hectares inside the airport is now for payment by the DOTC. This area is outside the work area and will not affect construction activities. A 19.35-hectare lot at the western side of the airport was donated to the Philippine Coast Guard.

## **Sea Transportation**

### **Ports Modernization**

One of the key strategies identified in the regional development plan is to improve sea transportation through the modernization of ports to include improvement of terminal buildings and equipments, and facilities for cargo handling services. Various projects have been implemented by the Philippine Ports Authority (PPA) to upgrade facilities in the ports of Cagayan de Oro, Iligan, Ozamiz and Balbagon in the island of Camiguin.

In 2010, several projects were implemented by PPA which include passenger terminal building improvement, and maintenance of port physical facilities and equipment.

TABLE 61. PORTS IMPROVEMENT PROJECTS REGION 10: 2010

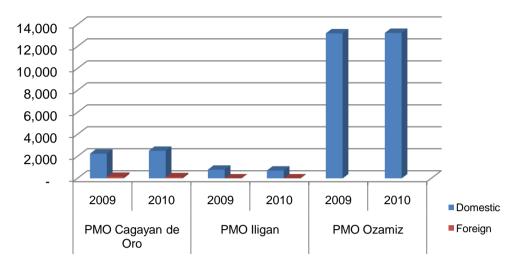
NEGION 10. 2010						
Project	Project Cost (PhP Million)	Status				
Cagayan de Oro Port Improvement	187.90	Ongoing				
Balbagon Port Improvement (Camiguin)	27.04	Ongoing				
Passenger Terminal Building Covered Walkway in the Port of Cagayan de Oro	4.65	Completed				
Maintenance of Port Equipment and Facilities in the Port of Iligan	4.74	Ongoing				
Maintenance of Port Equipment in the Port of Iligan	5.00	Ongoing				
Repair of Passenger Terminal Building in the Port of Ozamiz	2.81	Completed				
Maintenance of Port Physical Facilities in the Port of Ozamiz	7.00	Ongoing				
Ozamiz Port Expansion Project	138.00	Ongoing				

Source: PPA-Port District Office, Northern Mindanao

## Shipping, Cargo and Passenger Traffic

Even with the 1.18 percent increase in the total number of ship calls, total number of passenger traffic increased by 18 percent from 3,956,630 passengers in 2009 to 4,662,992 passengers in 2010. The total number of domestic ship calls increased by 1.4 percent while foreign ship calls declined by 22.8 percent, from 149 ships in 2009 to 115 ship in 2010. The port of Ozamiz dominated the number of domestic shipcalls.

FIGURE 15. NUMBER OF SHIPCALLS REGION 10: AS OF DECEMBER 2010



Source: of basic data: PPA-10

The volume of cargoes handled by the major ports in the region increased by 8.35 percent from about 4.3 million MT in 2009 to 4.7 million MT in 2010. The increase in the volume of domestic cargoes (14%) handled during the period outweighed the decrease in volume of foreign cargoes (-19.05 %). All the major ports posted increases in the volume of cargoes handled as follows: Iligan (30.95 %), Cagayan de Oro (7.74 %), and Ozamiz (2.10%).

TABLE 62. CARGO AND PASSENGER TRAFFIC PORTS OF CAGAYAN DE ORO, ILIGAN AND OZAMIZ CITIES REGION 10: 2009 AND 2010

Indicator	2009	2010	% Change
Cargo (In MT)	4,296,788	4,655,459	8.35
Domestic	3,560,044	4,059,062	14.02
Inbound	1,782,804	2,023,446	13.50
Outbound	1,777,240	2,035,616	14.54
Foreign	736,744	596,397	-19.05
Import	396,661	365,758	-7.79
Export	340,083	230,639	-32.18
Passenger (Number)	3,956,630	4,662,992	17.85
Disembarking	2,061,671	2,295,426	11.34
Embarking	1,894,959	2,367,566	24.94

Source: PPA-Port District Office, Northern Mindanao

The 2010 annual total container traffic handled by the major ports in the region increased by 16.62 percent, from 182,773 TEUs in 2009 to 213,144 TEUs in 2010. This was attributed mainly to the 23.78 percent increase in the domestic container traffic.

While the domestic outbound container traffic is higher by 878 TEUs than the domestic inbound container traffic for the year 2010, foreign export container traffic is lower than the foreign import container traffic by 3,142 TEUs.

In 2009, the domestic outbound container traffic was higher than the domestic inbound container traffic 2,056 TEUs while the foreign export container traffic is lower by 4,219 TEUs compared to the foreign import container traffic.

TABLE 63. CONTAINER TRAFFIC (IN TEUS)
PORTS OF CAGAYAN DE ORO, ILIGAN AND OZAMIZ CITIES
REGION 10: 2009 AND 2010

Particulars	2009 2010		% Change
Domestic	158,380	196,048	23.78
Inbound	78,162	97,585	24.85
Outbound	80,218	98,463	22.74
Foreign	24,393	17,096	-29.91
Import	14,306	10,119	-29.27
Export	10,087	6,977	-30.83
Total Container (in TEU)	182,773	213,144	16.62

Source: PPA-10

The performance of the Mindanao Container Terminal (MCT) in PHIVIDEC has improved significantly since the terminal operations and management was turned over to Mindanao International Container Terminal Services Inc. in 2008.

In 2010, there were 543 ship calls recorded in the MCT, which was 24.83 percent higher than the 435 ship calls posted in 2009. Over the same period, the number of domestic ship calls increased by 53.74, higher than the increase in foreign ship calls at 10.07 percent. Likewise, the total volume of cargoes handled by the MCT in 2010 significantly increased by 50.19 percent, from 118,684 TEUs in 2009 to 178,255 TEUs.

The 2010 annual foreign export container traffic is higher by 774 TEUs compared to the foreign import container traffic. On the other hand, the domestic outbound container traffic is lower than the domestic inbound container traffic by 6,483 TEUs. In 2009, the foreign export container traffic is higher than the foreign import container traffic by 4,117 TEUs while the domestic outbound container traffic is lower by 2,947 TEUs compared to the domestic inbound container traffic.

TABLE 64. SHIPCALLS AND CONTAINER TRAFFIC MINDANAO CONTAINER TERMINAL, PORT OF PHIVIDEC REGION 10: 2009 AND 2010

Indicator	2009	2010	% Change
Cargo (In TEUs)	118,684	178,255	50.19
Domestic	70,675	87,775	24.20
Inbound	36,811	47,129	28.03
Outbound	33,864	40,646	20.03
Foreign	48,009	90,480	88.46
Import	21,946	44,853	104.83
Export	26,063	45,627	75.06
Ship Calls	435	543	24.83
Foreign	288	317	10.07
Domestic	147	226	53.74

Source: PIE-MO

### **Rail Transportation**

The Mindanao Railway System is a government development initiative to provide adequate transport capacity over a long-term period to support and sustain the development of the whole Mindanao island.

The Mindanao Railway System - Cagayan de Oro-Iligan Corridor (CIC) Project is one of the priority projects in the region. It has already been endorsed by the Regional Development Council (RDC-10) through Resolution No. 80 (s. 2009). The ongoing revision of the Feasibility Study (FS) from ODA funding source to PPP/BOT modality, is being undertaken by the Department of Transportation and Communications (DOTC).

The RDC-10 Regional Advisory Council likewise passed Resolution No. 8 (s. 2011) requesting the Department of Transportation and Communications (DOTC) to provide the FY 2012 Budget Allocation of PhP50.0 Million for the Maintenance and Other Operating Expenses (MOOE) of the Mindanao Railway Project Office (MRPO) and PhP2.0 billion for the acquisition of Road Right-of-Way (RROW).

Recent developments include coordination activities by the Mindanao Railway Project Office (MRPO) with concerned LGUs and conduct of survey of the railway alignment. As manifestation of support to the project, various proposals were made in Congress specifically on the creation of the Mindanao Railways Corporation. DOTC is likewise coordinating with financial institutions for the funding requirements of the project.



FIGURE 16. CIC RAILWAY SYSTEM PROJECT RAIL LINE

# b. Power and Electrification

#### **Power**

#### Generation

The Medium Term Regional Development Plan, 2004-2010, identified indicative projects to generate investment for the 1,118 MW of additional power capacity to Mindanao grid to supply the growing demand for power in the island.

In view of the above, the National Power Corporation (NPC) pursues the uprating of the Agus 6 hydro electric power plant. The NEDA – ICC approved the revised cost of the project in the amount of PhP 1.3 billion. This project aims to increase the generating capacity of Agus 6 by at least 60 MW and extend its plant life to 30 years. As of December 2010, bidding of the project is ongoing.

Another project of the NPC is the Balo-i Plains Flood Control Project which aims to increase the capacity of Agus 2 HEP by at least 40 MW. The project worth PhP1.9 billion has not moved on from the pre-implementation stage since 2009 due to road right-of-way problem.

#### **Transmission**

The National Grid Corporation of the Philippines (NGCP) is leading the power transmission development in Northern Mindanao. There are three projects currently implemented by the NGCP under the Mindanao Backbone Transmission Development Program with a total cost of PhP 9.483 billion.

FIGURE 17. TRANSMISSION PROJECTS

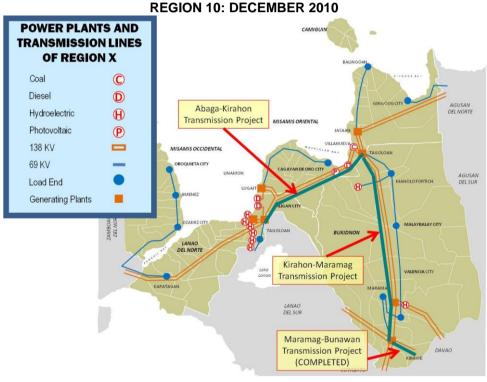


TABLE 65. STATUS OF TRANSMISSION PROJECTS

REGION 10: DECEMBER 2010			
Name of Project	Project Status		
Abaga – Kirahon 230 kV	Ongoing construction with overall physical accomplishment of 55 percent, behind by 26 percent due to ROW concerns		
Kirahon – Maramag 230 kV	Ongoing construction with physical accomplishment about 5 percent, slightly ahead of target by 1.2 percent		
Maramag – Bunawan 230 kV	Completed and energized in October 2010		

Once completed, these projects will establish a new backbone system that will lower transmission losses in the entire Mindanao grid by decreasing network impedance, providing security to the transmission of power generated in Region 10 to the load centers in Southern Mindanao and decongest transmission bottleneck during maximum hydro generation at Agus plants.

## Installed and Dependable Capacity

and of the required volume.

As of December 2010, the total installed capacity of power plants in Region 10 was 1,063.70 megawatts, of which about 75 percent (799 megawatts) were dependable capacity. The dependable capacity of the power plants decreased by 3.96 megawatts (0.49%) from 2009 level due to the onset of drought or El Niño that caused lower water levels of Lake Lanao and Pulangui River that supply water to Agus HEPs and Pulangui HEP, respectively.

TABLE 66. INSTALLED AND DEPENDABLE CAPACITY OF POWER PLANTS MINDANAO GRID: 2009 AND 2010

	MINDANAO GRID: 2009 AND 2010						
		Capacit	y (MW)				
Plant	Inst	alled	Deper	ndable	Location		
	2009	2010	2009	2010			
Hydro	722.10	722.10	552.43	588.75			
Agus 4 HEP	158.10	158.10	149.46	141.62	Brgy. Nangka, Balo-i, Lanao del Norte		
Agus 5 HEP	55.00	55.00	27.41	45.55	Brgy. Ditucalan, Iligan City		
Agus 6 HEP	200.00	200.00	156.00	160.07	Brgy. Ma. Cristina, Iligan City		
Agus 7 HEP	54.00	54.00	44.56	36.51	Brgy. Fuentes, Iligan City		
Pulangi 4 HEP	255.00	255.00	175.00	205.00	Brgy. Kiuntod, Camp 1, Maramag, Buk.		
Coal-Fired	232.00	232.00	206.56	209.45			
Mindanao Coal	232.00	232.00	206.56	209.45	Brgy. Balacanas, Villanueva, Mis. Or.		
Diesel/Oil	108.60	108.60	43.17	0.00			
IDPP 1	63.80	63.80	43.17	0.00	Brgy. Mapalad, Iligan City		
IDPP 2	44.80	44.80	0.00	0.00	Brgy. Mapalad, Iligan City		
Photo-Voltaic	1.00	1.00	1.00	1.00	Indahag, Cagayan de Oro City		
Regional Total	1,063.70	1,063.70	803.15	799.20			
Mindanao Grid	1,829.68	1,835.48	1,390.95	1,236.06			

Note: The above-mentioned power plants are either controlled and owned by NPC or having power supply contract with NPC. Other power plants that operate within the region are either embedded generators or independent power producers (IPPs) without power supply contract with NPC. Dependable capacity is the number of MW produced during peak hours while installed capacity is the number of MW a power plant can produce Source: NPC

With the limited available capacities of hydro-electric power plants in the 2<sup>nd</sup> quarter of 2010, the NGCP was forced to reduce power allocation to power distribution utilities and electric cooperatives resulting into rotating brown outs. The rotating brownouts adversely affected the industrial and commercial firms which resulted to the 50 percent reduction in their overall production. The food processing sector forced to jack up the cost at an average of 30 percent to meet the cooling requirements for their products and raw materials. Meanwhile, the Small and Medium Enterprises (SMEs) were not able to meet orders on time

The following long term solutions are recommended: a) hasten uprating projects on existing capacities; b) hasten implementation of committed projects; c) encourage private sector investments in additional power generating plants instead of focusing on the privatization of existing hydro electric plants; d) provide incentives to host regions and give priority in the allocation of power; and e) review Section 71 of the EPIRA Law in order for the government to efficiently and effectively respond to power crisis.

#### **Power Generation Mix**

The region has a power generation mix of hydro with about 74 percent share equivalent to 588.75 megawatts; coal fired with 26 percent share equivalent to 209 megawatts; and photovoltaic sharing 0.13 percent or equivalent to 1 megawatt.

Coal-Fired 26.21% O.13% Hydro 73.67%

FIGURE 18. POWER GENERATION MIX REGION 10: AS OF DECEMBER 2010

Source of basic data: NPC

Region 10 supplied 799.20 megawatts or 65 percent of the total dependable power source in the Mindanao Grid as of December 2010.

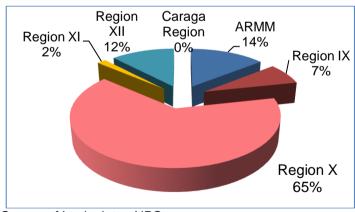


FIGURE 19. MINDANAO GRID ENERGY SOURCES BY REGION AS OF DECEMBER 2010

Source of basic data: NPC

# **Energy Sales**

The total annual energy sales of the region in 2010 reached 2,202,724,544 kilowatthours. The sales increased by 2.08 percent or 44,907,704 kilowatt-hours compared to the total energy sold in 2009.

TABLE 67. ACTUAL ENERGY SALES BY PROVINCE, REGION 10: 2009 AND 2010

Province	Total Energy 2009	% Change	% Share (2010)	
Bukidnon	230,417,859	2010 240,234,788	4.26%	10.91
Camiguin	15,646,518	16,902,823	8.03%	0.77
Misamis Occidental	161,583,266	161,444,377	-0.09%	7.33
Misamis Oriental	1,199,072,363	1,243,471,201	3.70%	56.45
Lanao del Norte	551,096,834	540,671,355	-1.89%	24.55
Region 10	2,157,816,840	2,202,724,544	2.08%	100

Source: NGCP

### **Electrification**

Region 10 almost achieved its plan target of 100 percent barangay energization by December 2010, if not for the lone barangay in Damulog, Bukidnon. A total number of 1,936 barangays or 99.95 percent of the total potential 1,937 barangays has been provided with electricity. During the same period, there were 66 barangays in Lanao del Norte that were connected, making the province 100 percent energized.

A total of 585,742 households or 82.72 percent of the 708,110 total potential households in Region 10 were energized by eight electric cooperatives and CEPALCO as of December 2010. CEPALCO attained 100 percent coverage of household electrification while MORESCO II posted the lowest at only 67 percent.

TABLE 68. STATUS OF ELECTRIFICATION REGION 10: 2009 AND 2010

	Barangays					
Cooperative/s	Target	Ene	rgized	%		
	Coverage	2009	2010	Coverage		
Bukidnon						
FIBECO	303	302	302	99.67		
BUSECO	171	171	171	100.00		
Camiguin						
CAMELCO	58	58	58	100.00		
Lanao del Norte						
LANECO	407	341	407	100.00		
Misamis Occidental						
MOELCII	227	227	227	100.00		
MOELCI II	253	253	253	100.00		
Misamis Oriental/CDO						
MORESCO I	155	155	155	100.00		
MORESCO II	269	269	269	100.00		
CEPALCO	94	94	94	100.00		
Regional Total	1,937	1,863	1,872	96.64		

Source: NEA and CEPALCO

## c. Communications

Effective communications is one of the key factors that increase the prospects for investment opportunities in the region. Modern yet accessible and affordable communications infrastructure is essential as an enabler of economic activities that creates employment and income of the populace.

#### **Postal Services**

Despite the advent of advanced communications technology, postal services continue to provide reliable means of communication throughout the region. In 2010, the Philippine Postal Corporation (PPC) recorded a 10.21 percent increase in its revenues from PhP72.38 million in 2009 to PhP79.77 million in 2010. Government agencies, such as PhilHealth, SSS, GSIS, CSC, DA and DAR, rely mainly on the services of PPC for the mailing requirements of various documents.

Postal stations are still maintained by PPC throughout the region. There was an addition with the opening of a mail post office in Limketkai Mall, Cagayan de Oro City.

### **Telecommunications**

Telecommunications services in the region are provided by various private service providers. These providers are regulated by the National Telecommunications Commission (NTC). With the increase in subscriber base of the telephone service providers, more cellular sites were constructed. This manifests a growing telecommunications industry in the region driven mainly by the private sector. There are 13 local exchange carriers in the region as follows:

- Camiguin Telephone Cooperative, Inc. (CAMTECO);
- Smart Broadband Inc. (SBI)/Cruz Telephone Company, Inc. (CRUZTELCO);
- Globe/INNOVE;
- Misamis Oriental Telephone System (MISORTEL);
- PHILCOM Corporation;
- Plaridel Service Cooperative (PLASECO);
- Philippine Long Distance Company, Inc. (PLDT);
- PilTel:
- PLDT/MARATEL;
- Southern Telecommunications Company, Inc. (SOTELCO);
- Telecommunications Office 10 (TELOF);
- Telecommunications Management and Services, Inc. (TMSI); and
- West Misamis Oriental Telephone Company (WEMORTELCO).

In 2010, there were 160,349 equipped telephone lines in the region, an increase of 7.9 percent than the previous year. Only about 48 percent or 76,194 equipped telephone lines were subscribed with 84,155 equipped telephone lines still open to subscription. More telephone users prefer to use cellular phones than the telephone landlines. As of December 2010, the telephone density is at 1.80 lines per 100 persons for subscribed telephone, which is below the plan target of 2.21 lines per 100 persons.

### TABLE 69. TELEPHONE LAND LINES REGION 10: 2009 AND 2010

	Equipped Telephone			Subscribed Telephone		
Province	Lines a/			Lines b/		
Trovince	2009	2010	%	2009	2010	%
			Change			Change
Bukidnon	11,982	11,841	-1.18	6,424	6,199	-3.50
Camiguin	1,828	1,828	0.00	1,067	1,071	0.37

	Equipped Telephone			Subscribed Telephone		
Province	Lines a/			Lines b/		
1 Tovilloc	2009	2010	%	2009	2010	%
			Change			Change
Lanao del Norte	47,074	46,477	-1.27	21,719	21,774	0.25
Misamis Occidental	11,328	16,463	45.33	5,975	10,099	69.02
Misamis Oriental	76,392	83,740	9.62	35,880	37,051	3.26
Regional Total	148,604	160,349	7.90	71,065	76,194	7.22
Telephone Density/100 c/	3.75	3.75		1.8	1.8	

a/ Number of lines wherein the switch is capable of servicing under present condition

b/ Number of working lines with existing paying subscribers

Source: NTC-10

The region posted increases in both equipped and subscribed telephone lines at 7.9 percent and 7.2 percent, respectively. Misamis Occidental and Misamis Oriental contributed to these increases. On the other hand, Bukidnon posted decreases in the number of equipped and subscribed telephone lines by almost two and four percent, respectively. Lanao del Norte registered a 1.3 percent reduction in the number of equipped telephone lines.

## **Public Calling Offices (PCOs)**

PCOs provide calling capability to low telephone density areas that are mostly located in rural areas. There is also low telephone ownership or absence of telephones in these areas. In 2010, PCOs in the region reached 1,091 with 39 PCOs added during the year. These new PCOs are installed in Lanao del Norte (22), Misamis Occidental (11) and Misamis Oriental (6).

Majority of the PCOs are located in the province of Lanao del Norte (667 PCOs), followed by the provinces of Misamis Oriental (165 PCOs), Misamis Occidental (140 PCOs), Bukidnon (107 PCOs) and Camiguin (12 PCOs).

TABLE 70. NUMBER OF PUBLIC CALLING OFFICES REGION 10: 2009 AND 2010

Province	2009	2010	% Change
Bukidnon	108	107	-0.93
Camiguin	12	12	0.00
Lanao del Norte	645	667	3.41
Misamis Occidental	129	140	8.53
Misamis Oriental	159	165	3.77
Regional Total	1,053	1,091	3.61

Source: NTC-10

### **Mobile Telecommunications**

Wider accessibility of cellular phones and increasing subscriber-base contributed in the increase in the number of mobile cell sites installed in the region. The three major cellular service providers in Region 10 are Digitel, Globe and Smart. As of December 2010, there are 532 mobile phone cellular sites in the region which is 3.50 percent higher than the 514 cellular sites established as of December 2009. Globe owned 44.74 percent of cellular sites in the region, followed by Smart (34.96 percent) and Digitel (20.30 percent).

TABLE 71. NUMBER OF MOBILE PHONE CELL SITES BY MAJOR SERVICE PROVIDER, REGION 10: 2009 AND 2010

SERVICE PROVIDER, REGION 10. 2009 AND 2010									
Province	Digitel	2009 Globe	Smart	Total	Digitel	2010 Globe	Smart	Total	% Change
Bukidnon	8	54	47	109	14	54	47	115	5.50
Camiguin	3	11	9	23	3	11	9	23	0.00
Lanao del Norte	10	24	32	66	12	24	32	68	3.03
Misamis Occidental	10	32	25	67	10	33	25	68	1.49
Misamis Oriental	6	116	73	249	69	116	73	258	3.61
Regional Total	91	237	186	514	108	238	186	532	3.50
% Share	17.70	46.11	36.19	100	20.30	44.74	34.96	100	

Note: Data gathered based on the renewal made at the NTC, Regional Office.

Source: NTC-10

### **Internet Connections**

There were 21,646 internet subscribers in the region as of December 2010. About 85 percent of the internet users are Philcom subscribers. Other users connect to the internet through Cable 21 (6.84 percent), ICC-Bayantel (3.28 percent), PLDT (2.91 percent), and SOTELCO (1.24 percent). Except for TMSI, the number of subscribers in other providers remained the same for the period 2009-2010. The number of SOTELCO subscribers declined by 10 percent in 2010.

TABLE 72. SUBSCRIBERS WITH INTERNET CONNECTION REGION 10: AS OF DECEMBER 2009 AND 2010

Provider	2009	% Share	2010	% Share	% Change
CABLE 21	1,480	6.86	1,480	6.84	0.00
CRUZTELCO	14	0.06	14	0.06	0.00
ICC-BAYANTEL	711	3.29	711	3.28	0.00
PHILCOM	18,390	85.19	18,390	84.96	0.00
PLASECO	19	0.09	19	0.09	0.00
PLDT	629	2.91	629	2.91	0.00
PT&T	35	0.16	35	0.16	0.00
SOTELCO	300	1.39	269	1.24	-10.33
TMSI	10	0.05	99	0.46	890.00
TOTAL	21,588	100.00	21,646	100.00	0.27

Source: NTC-10

## d. Water Resources Development

Northern Mindanao obtains its water supply from different sources. These include rainfall, surface water resources (i.e., rivers and reservoirs), and groundwater resources (i.e., wells and springs).

## **Water Supply**

Major sources of water supply of the 808,000 families in Region 10 (NSO) came from community water sources (68%). Wells and springs shared 16 percent and 13 percent,

respectively. Most families in the region did not consider rainwater as a source of water supply.

FIGURE 20. SOURCES OF WATER SUPPLY

Community Water System, 68.4%

Community Water System, 68.4%

Springs, 13.4%

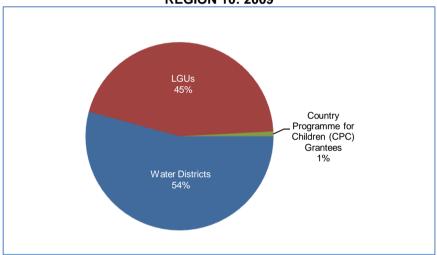
Rivers/Stream/
Pond/Lake/ Dam,
0.8%

Tanker Truck
Peddler, 0.4%

Other Sources,
0.6%

Source of basic data: NSO

FIGURE 21. PERCENTAGE OF POPULATION SERVED BY WATER SOURCE PROVIDERS REGION 10: 2009



Source of basic data: NWRB

Meanwhile, the National Water Resources Board reported that the water needs of more than two million people are served by water districts.

## **Water Districts**

While water supply at the households level is provided by various agencies, the Local Water Utilities Administration (LWUA) is mandated by law to promote and oversee the development of water supply systems in provincial cities and municipalities outside of Metropolitan Manila. Further, the law provides for the establishment of Water Districts in provincial cities and municipalities. Thus, a development partnership called the "LWUA-Water District Concept" is being undertaken to revolutionize water supply provision in the countryside.

LWUA reported a total number of 20 operational water districts in the region, with the addition of Quezon Water District in the province of Bukidnon. Six new water districts are added in 2010, three in the province of Bukidnon (Cabanglasan, Damulog and Malitbog),

two in Misamis Oriental (Tagoloan and Laguindingan), and one in Misamis Occidental (Sapang Dalaga). However, all of these six water districts are still waiting to start operations.

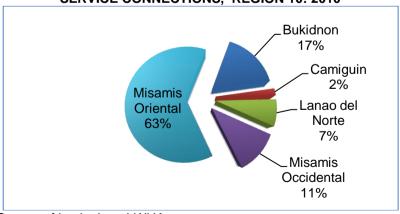
TABLE 73. LIST OF OPERATIONAL WATER DISTRICTS REGION 10: 2010

	Water District	Province	Cities/Towns Covered	Service Connections
1	Don Carlos WD	Bukidnon	Don Carlos	1,057
2	Kibawe WD	Bukidnon	Kibawe	917
3	Malaybalay City WD	Bukidnon	Malaybalay City	7,614
4	Manolo Fortich	Bukidnon	Manolo Fortich	nd
5	Maramag WD	Bukidnon	Maramag	3,176
6	Quezon WD		Quezon	nd
7	Valencia WD	Bukidnon	Valencia	9,617
8	Mambajao WD	Camiguin	Mambajao	2,460
9	Balingasag WD	Misamis Oriental	Balingasag	2,556
10	Cagayan De Oro City WD	Misamis Oriental	Cagayan De Oro City, Medina, Poblacion, Opol, Pagatpat	73,809
11	Claveria WD	Misamis Oriental	Claveria	413
	Water District	Province	Cities/Towns Covered	Service Connections
12	Gingoog City WD	Misamis Oriental	Gingoog City	3,399
13	Misamis Occ. WD	Misamis Occidental	Oroquieta City, Ozamis City, Clarin, Tudela	12,175
14	Tangub City WD	Misamis Occidental	Tangub City	2,000
15	Bacolod WD	Lanao del Norte	Bacolod	1,311
16	Kapatagan WD	Lanao del Norte	Kapatagan	1,660
17	Kauswagan WD	Lanao del Norte	Kauswagan	1,006
18	Kolambugan WD	Lanao del Norte	Kolambugan	1,833
19	Linamon WD	Lanao del Norte	Linamon	1,510
20	Tubod-Baroy WD	Lanao del Norte	Tubod, Baroy	2,109
	128,172			

Source: http://www.lwua.gov.ph/

nd= no data

FIGURE 22. PROVINCIAL DISTRIBUTION OF WATER DISTRICT SERVICE CONNECTIONS, REGION 10: 2010



Source of basic data: LWUA

The 20 water districts have 128,172 service connections, with 63 percent belonging to the water districts located in the province of Misamis Oriental. The Cagayan de Oro City

Water District posted the most number of service connections, which comprised 57.6 percent of the regional total.

A minimum water rate is charged by the water districts for water consumption of up to ten cubic meters. The average minimum water rates for domestic consumption range from PhP61.00 to PhP220.00. Mambajao Water District in Camiguin charges the lowest water rate, while the Misamis Occidental Water District collects the highest water rate.

In 2010, the average water rate being charged by the water districts in the region is PhP144.25, slightly lower than the 2009 average of PhP148.30. In contrast, the average cost per 30 cubic meters is pegged at PhP547.80 in 2010, higher than the previous year's PhP542.31.

TABLE 74. WATER RATES DATA REGION 10: AS OF DECEMBER 31, 2010

REGION 10: AS OF DECEMBER 31, 2010								
				(IN	PESOS)			
Water District	Min. Charge	11-20 m <sup>3</sup>	21-30 m <sup>3</sup>	31-40 m <sup>3</sup>	41-50 m <sup>3</sup>	51-up m³	Cost per 30 m <sup>3</sup>	Effective Date
Bukidnon								
1. Don Carlos	172.00	30.00	39.60	49.45	59.50	59.50	868.00	12/1/2004
2. Kibawe	105.00	11.00	12.75	14.50	15.50	15.50	342.50	1/1/1999
<ol><li>Malaybalay City</li></ol>	120.00	13.50	15.25	17.10	19.05	21.10	407.50	7/1/2007
4. Manolo Fortich	145.00	20.70	27.60	34.80	42.25	50.00	628.00	7/1/2010
5. Maramag	110.00	12.15	16.20	21.00	26.90	26.90	393.50	10/1/2005
6. Quezon	148.50	15.95	17.35	19.00	20.90	20.90	481.50	1/1/2011
6. Valencia City	166.00	18.90	21.70	25.50	29.90	35.15	572.00	1/1/2007
Sub-Total/Average	138.07	17.45	21.49	25.90	30.57	32.72	527.57	
Camiguin								
1. Mambajao	61.00	6.35	7.25	8.55	10.70	13.40	197.00	3/12/2008
Sub-total/Average	61.00	6.35	7.25	8.55	10.70	13.40	197.00	
Lanao del Norte								
1. Bacolod	142.00	15.20	17.00	19.00	21.30	21.30	464.00	1/1/2006
2. Kapatagan	130.00	15.50	18.00	20.80	22.65	22.65	465.00	1/1/2006
3. Kauswagan	200.00	22.00	24.00	26.50	26.50	26.50	660.00	1/1/2011
4. Kolambugan	123.00	16.85	17.55	18.25	18.25	18.25	467.00	8/1/2003
5. Linamon	112.00	12.40	13.50	14.75	14.75	14.75	371.00	1/1/2006
6. Tubod-Baroy	148.85	17.00	19.15	21.30	21.30	21.30	510.35	1/1/2010
Sub-total/Average	142.64	16.49	18.20	20.10	20.79	20.79	489.55	
Misamis Occidental								
Misamis Occidental	220.00	26.00	30.00	35.00	41.00	41.00	780.00	10/1/2007
2. Tangub City	161.00	17.50	21.00	22.90	22.90	22.90	546.00	1/1/2006
Sub-total/Average	190.50	21.75	25.50	28.95	31.95	31.95	663.00	
Misamis Oriental								
1. Balingasag	213.00	30.65	40.60	51.25	62.55	62.55	925.50	10/1/2007
2. Cagayan de Oro City	168.00	23.50	24.50	25.50	26.50	26.50	648.00	1/1/2007
3. Claveria	177.15	20.70	23.90	27.35	31.00	31.00	623.15	1/2/2007
4. Gingoog City	198.00	20.10	20.70	21.40	23.40	23.40	606.00	10/1/2004
Sub-total/Average	189.03	23.73	27.42	31.37	35.86	35.86	700.66	
Regional Total/ Average	144.25	18.29	21.38	24.69	27.84	28.72	547.80	

Source: http://www.lwua.gov.ph/

Note: Charges apply only for a 1/2" inch domestic connection. For other sizes and connection types the Water District applies a multiplying factor.

## **Waterless Municipalities**

The Philippines has 432 waterless municipalities outside of Metro Manila, with more than 1.5 million households without access to safe drinking water, 28 municipalities of which belong to Region 10 with 75,826 households. Thus, the region comprised about 6.5

percent of the country's total of waterless barangays and 5.1 percent of the country's total of households without access to potable water.

TABLE 75. WATERLESS MUNICIPALITIES REGION 10: 2010

		1120	510N 10. 20	10		
	Municipality	Province	Total House- holds	HH With Access to Safe Water	% of HH w/ Access to Water	# of HH to be served to increase access to 50%
1	Baungon	Bukidnon	5,141	1,635	31.80%	638
2	Damulog	Bukidnon	4,073	1,394	34.23%	422
3	Dangcagan	Bukidnon	3,555	1,145	32.21%	429
4	Don Carlos	Bukidnon	10,713	3,861	36.04%	957
5	Kadingilan	Bukidnon	5050	1,287	25.49%	922
6	Kibawe	Bukidnon	6,413	2,555	39.84%	392
7	Kitaotao	Bukidnon	7,408	2,745	37.05%	604
8	Talakag	Bukidnon	8,342	2,370	28.41%	1,289
e.	Sub-total		50,695	16,992	33.52%	5,653
9	Baloi	Lanao del Norte	6,804	3,127	45.96%	149
10	Kolambugan	Lanao del Norte	4,823	2,158	44.74%	140
11	Magsaysay	Lanao del Norte	2,170	793	36.54%	185
12	Matungao	Lanao del Norte	1,656	586	35.39%	156
13	Munai	Lanao del Norte	3,033	552	18.20%	789
14	Nunungan	Lanao del Norte	2,470	525	21.26%	559
15	Pantar	Lanao del Norte	2,149	887	41.28%	110
16	Poona	Lange del Norte	0.745	1 160	40.000/	110
16	Piagapo	Lanao del Norte	2,715	1,162	42.80%	112
17 18	Salvador Sultan Naga	Lanao del Norte  Lanao del Norte	3,403 7,811	1,428 3,221	41.96% 41.24%	159 402
10	Dimaporo	Lanao dei Norte	7,011	3,221	41.24/0	402
19	Tagoloan	Lanao del Norte	1,482	251	16.94%	407
20	Tangcal	Lanao del Norte	895	95	10.61%	315
f.	Sub-total		39,411	14,785	37.52%	3,483
21	Baliangao	Mis. Occidental	3,255	1,119	34.38%	334
22	Calamba	Mis. Occidental	3,665	1,698	46.33%	72
23	Concepcion  Don Victoriano	Mis. Occidental	1,487	49	3.30%	672
24	Chiongbian	Mis. Occidental	1,815	779	42.92%	73
25	Panaon	Mis. Occidental	1,645	751	45.65%	39
26	Sapang Dalaga	Mis. Occidental	3,774	1,220	32.33%	451
27	Sinacaban	Mis. Occidental	3,486	1,051	30.15%	483
g.	Sub-total	mor Coolaonia	19,127	6,667	34.86%	2,124
28	Claveria	Mis. Oriental	7,843	2,806	35.78%	716
	Total	wiio. Orioritai	117,076	41,250	35.76% 35.23%	11,977
	i Olai		117,070	71,230	JJ.ZJ /0	11,377

Source: NAPC

Note: Waterless municipalities are defined as municipalities with less than 50 percent of their households without potable water service coverage.

Of the 28 municipalities, eight (28.6%) are located in the province of Bukidnon, 12 (42.8%) in Lanao del Norte, 7 (25%) in Misamis Occidental, and one (3.6%) in Misamis Oriental. The province of Bukidnon posted the highest requirement with only 16,992 households (33.5 percent) have access to water. About 5,653 households need to have service coverage to increase access to safe water to 50 percent.

Overall, of the 117,076 households in waterless municipalities, only 41,250 households (35.2%) have access to safe water. The region still needs to serve 37,913 households to increase its access to safe water by 50 percent, and will no longer have waterless municipalities.

## Special Program to Enhance Access to Potable Water

In pursuit of the target of the Millennium Development Goal (MDG) to halve, by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation, MDG-F 1919, a joint Programme on Enhancing Access to and Provision of Water Services with the Active Participation of the Poor, is being implemented by the Philippine Government and United Nations to enhance provision of and access to water services by filling the "soft" component gaps of existing national government programs that focus only on infrastructure ("hard" components) provision.

The said joint Programme specifically aims to contribute in partially addressing issues in low investments and low capacities along water provision by: a) establishing investment support mechanisms to improve efficiency, access, affordability and quality of water; and, b) enhancing capacities at the local level to develop, operate and manage water utilities.

Nine waterless municipalities in Region 10 are being assisted under this project, covering 200 barangays. The project's assessment indicated that these municipalities would need a total of 1,368 water systems (Levels I, II and III) for 52,446 households to have access to safe water.

TABLE 76. MDG-F 1919 PILOT MUNICIPALITIES REGION 10

Municipalit y	Province	No. of Brgy.	Population	No. of HHs	Level I	Level II	Level III
Claveria	Misamis Oriental	24	47,521	9,285	9	13	11
Baliangao	Misamis Occidental	15	14,927	2,488	325	5	0
Sinacaban	Misamis Occidental	17	16,109	2,686	25	10	9
Dangcagan	Bukidnon	14	21,254	3,541	170	1	30
Don Carlos	Bukidnon	29	60,870	10,145	10	17	50
Kadingilan	Bukidnon	17	30,077	6,378	54	5	23
Kibawe	Bukidnon	23	35,213	5,870	57	40	12
Kitaotao	Bukidnon	35	42,212	7,034	250	82	48
Kolambugan	Lanao del Norte	26	25,286	5,019	93	13	6
Total		200	293,469	52,446	993	186	189

Source: http://dilg-mdgf1919.org.ph/

For the Information Education Campaign of the program, a postcard making contest was held on December 15, 2010 at SM City Cagayan de Oro. Four regional winners made it to the top 10 slots in the National Award, one each from Sinacaban Central School, Kitaotao Central Elementary School, Dangcagan National High School, and MOSCAT-Laboratory High School.

# h. Irrigation Development

The level of irrigation development in Region 10 as of December 2010 reached 46.2 percent of the potential irrigable area of 123,272 hectares. This fell short by 21.8 percent to the 2010 plan target irrigation coverage of 68 percent of the potential irrigable areas.

About 56,845 hectares of land in all five provinces of the region have been irrigated. The province of Lanao del Norte registered the highest level of irrigation development at 76 percent, followed by Camiguin (69.7%), Misamis Occidental (53.9 %) and Bukidnon (40%). Meanwhile, Misamis Oriental had the lowest level of irrigation development at 36.7 percent.

TABLE 77. STATUS OF IRRIGATION DEVELOPMENT REGION 10: AS OF DECEMBER 2010

Province	Potential Irrigable Area	Nat	NIA-As ional	sisted	R VICE	Ot Ge	REA her ovt. ncies		ivate stems	Total Area	% Level of Irrig.	Remai ning Area for Devt.
	(has.)	No.	Area	No.	Area	No.	Area	No.	Area		Devt	(has.)
Bukidnon	83,138	5	22,872	41	6,168	9	1,123	38	3,114	33,277	40.03	49,861
Camiguin	546	-	-	8	293	5	67	9	20	380	69.66	166
Lanao Norte	15,764	1	4,926	61	5,595	22	744	27	672	11,937	75.72	3,777
Misamis Occidental	14,547	1	1,447	36	3,824	5	1,756	20	817	7,844	53.92	6,703
Misamis Oriental	9,277	-	-	31	2,164	16	370	57	873	3,406	36.71	5,871
Total	123,272	7	29,245	177	18,044	67	4,060	151	5,496	56,845	46.11	66,378

Source: NIA-10

#### **Irrigation Projects**

The National Irrigation Administration (NIA) reported a total of 61 irrigation projects regionwide: 40 of which have already been completed, 10 are ongoing and 11 are not yet started. There are four national irrigation projects which are ongoing as shown below:



Balingasag River Irrigation Project
Location: Balingasag, Misamis Oriental
Service Area: 2,500 hectares
Project Cost: PhP489 million
Physical Accomplishment (As of
December 2010): 50%



Talakag Irrigation Project Location: Talakag, Bukidnon Service Area: 2,500 hectares Project Cost: PhP490 million Physical Accomplishment (As of December 2010): 65%



Tangub Small River Irrigation Project
Location: Tangub City, Misamis Occidental
Service Area: 608 hectares
Project Cost: PhP425 million
Physical Accomplishment (As of
December 2010): 35%



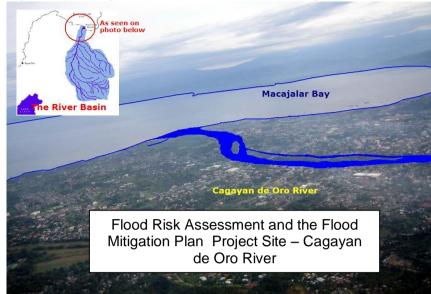
Bubunawan River Irrigation Project II
Location: Baungon, Bukidnon
Service Area: 1,000 hectares
Project Cost: PhP288 million
Physical Accomplishment (As of
December 2010): 71%

### **Flood Control**

The Philippines is one of the countries severely damaged by flooding due to heavy rainfall brought about by typhoons. To cope with this situation, the study on Nationwide Flood Risk Assessment and the Flood Mitigation Plan for Selected Areas in the Philippines was undertaken in 2008 with assistance from the Japan International Cooperation Agency (JICA) to formulate the national strategy for flood control projects. Based on the results of the study, 56 rivers were selected for inclusion in the flood control projects that shall be implemented for a 26-year period (2009-2034). For Region 10, the Tagoloan and the Cagayan de Oro River Basins were identified as priority.

The Master Plan and Feasibility Study of the Tagoloan River has already been completed and endorsed by the Regional Development Council in 2009. For Cagayan de Oro

River, the Department of Public Works and Highways has included it in the Package III of the Master Plan and Feasibility Study of Flood Control and Drainage Projects of Selected River Basins Nationwide. The objectives of the master plan and feasibility study are: a) to establish the flood control policy, strategy, target design flood magnitude and main works for the river basin; b) to identify alternative flood mitigation measures; c) to



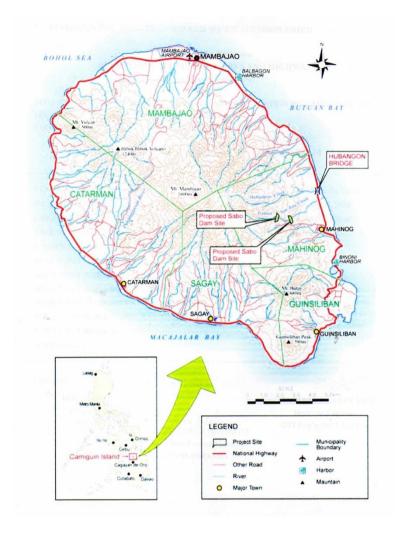
formulate a flood control project implementation plan; and, d) to prioritize projects based on technical, economic, social and environmental feasibility.

## **Disaster Mitigation**

Camiguin suffered severe damages when typhoon Nanang ravaged most of the Mindanao region in November 2001. An estimated 166 people were killed and 146 injured. Some 7,000 families were displaced by lahar-like flashfloods from Mt. Hibok-Hibok and mudslides brought about by the torrential rains. Damage to settlements, agriculture and infrastructure in the municipalities of Catarman, Guisiliban, Mahinog, Mambajao, and Sagay was estimated at PhP200 million.

To help avoid such disasters in the future, the Japan International Cooperation Agency (JICA), an implementing agency for Japanese Official Development Assistance (ODA), in cooperation with all local government units (LGUs) of Camiguin, implemented a disaster management (DM) program in the entire island. It is aimed to improve Camiguin's capability for mitigating damage from natural disasters caused by typhoons, seasonal rains and flooding.

FIGURE 23. FLOOD DISASTER MITIGATION FOR CAMIGUIN PROJECT



The project was implemented in two phases. The phase included hazard assessment. identification areas at risk to debris flow and flash flooding, and determining the number of people necessary to evacuate in case of impending disaster. In the second phase, a self-alerting system for evacuation was introduced. It also produced a Disaster Prevention Manual to provide guidance on evacuation and conduct of drills.

Started in January 2010, the Flood Disaster Mitigation Project in Camiguin Island has a project cost of PhP495 million. As of December 2010, the project already achieved 74.27 percent of its physical accomplishment. It is targeted to be completed by July 31, 2011.

The project has the

following components:

a) Construction of Upper Sabo Dam

b) Construction of Lower Sabo Dam





# c) Reconstruction of Hubangon Bridge



# i. Social Infrastructure

For CY 2010, the Department of Education (DepEd-10) constructed a total of 30 new classrooms under its School Building Program (SBP), with total estimated project cost of PhP24.542 million.



Balubal NHS Annex-SPHERE Project

DPWH-10 likewise implemented the construction of school buildings under the SBP funded by DepEd. In 2010, 18 school buildings were completed, 25 are still ongoing and four are not yet started. Funding allocation for these projects amounted to PhP46.984 million.

TABLE 78. DPWH-IMPLEMENTED SCHOOL BUILDING PROGRAM REGION 10: AS OF 31 DECEMBER 2010

		PHYSICA	L ACCOMPI (%)	ISHMENT	NUMBE	R OF I	PROJE	стѕ
FUNDING SOURCE	CY 2010 ALLOCATION (PhP '000)	TARGET	ACTUAL	SLIPPAGE	COMPLETED	ONGOING	NOT YET STARTED	TOTAL
DPWH (Second Batch)	44,624.00	49.42	51.81	2.39	18	20	4	42
DPWH (Third Batch)	2,360.00	30.00	39.82	9.82	0	5	0	5
TOTAL	46,984.00	48.44	51.21	2.76	18	25	4	47

Source: RPMES Report as of 31 December 2010 of DPWH-10

# Governance and Peace and Order

<u>Good Practices</u>. The region received national recognition for good governance practices. The local government units of Naawan of Misamis Oriental, Damulog of Bukidnon and Clarin of Misamis Occidental, were awarded the Seal of Good Housekeeping and received a PhP1 million cheque each from the DILG's Performance Challenge Fund (PCF) program. They were among the fifteen of the 4<sup>th</sup>-6<sup>th</sup> class municipalities in the country that excel in the areas of planning, budgeting, revenue mobilization, financial management and budget execution, procurement and resource mobilization, among others. The awards program aims to give cash incentives for the LGUs to jumpstart and sustain local economic development initiatives for the reduction of poverty in their areas.

The DILG regional office also implemented region-level awards, namely Galing Barangay (GABAY) for best performing barangays and Local Legislation Award for Local Sanggunian that excel in legislative actions.

Good practices in governance continue to be promoted. Lanao del Norte encouraged on-site visits and replication of the solid waste management project dubbed as *BALAK* of Linamon. Meanwhile, documentation of Jimenez municipal economic enterprise development office (JMEEDO) best practice on local income generation was completed. Moreover, documentation of the new Coral Transplantation Project under the Mindanao Rural Development Project was being done by the LGU of Linamon, Lanao del Norte.

<u>Improved Planning and Decision-Making.</u> The year 2010, being the end of the planning period 2004-2010, was a planning year. The formulation of the Regional Development Plan (RDP) for the next six years, 2011-2016, which was coordinated by NEDA as the technical secretariat of the RDC, was completed and approved by the RDC in December. The RDP draws major inputs from the government line agencies, LGUs, NGOs/private sector, and academe.

The preparation of the RDP benefited from an earlier planning exercise done by the NEDA regional offices in Mindanao and the ARMM planning office together with NEDA central office, which produced the Mindanao Strategic Development Framework (MSDF), 2010-2020. The MSDF is the "blueprint" or "roadmap" for the development of the whole Mindanao island, covering a longer 10-year timeframe. The RDP 2011-2016 is thus consistent with the broader spatial development perspective for Mindanao.

The NEDA regional office also conducted continuing advocacy on Mainstreaming of Disaster Risk Reduction (DRR) in sub-national development land use/physical planning through regional fora and lectures during meetings of LGUs, private organizations, academe, and RLAs.

<u>More Accountable and Transparent Government Units</u>. In compliance with DILG MC No. 2010-83 on public disclosure of procurement plans and status of accomplishment of major programs and projects, 42 out of 98 LGUs (provinces, cities, and municipalities) have published in their website or in conspicuous places their annual budgets and other financial documents. Continuing advocacy and information campaigns are conducted on the new policy on public disclosure.

Still to promote transparency, the Bureau of Local Government Finance (BLGF) conducted revenue and assessment audits on 29 LGUs.

Towards enhancing the delivery of frontline services, the Anti-Red Tape Act (R.A. 9485) directive on setting up and posting of Citizens Charters was substantially complied with by local government units; 93 out of the region's 98 provinces, cities, and municipalities posted their service procedures and standards to make government transaction easier for the clients.

The program on Business Permit and Licensing System (BPLS) Reforms was launched with two training/workshops on the new system in August and December for selected business permits and licensing officers, representatives of academic institutions, representatives of local chambers of commerce, and DILG officers of Regions IX, X and XIII. The three major cities of Cagayan de Oro, Iligan, and Malaybalay are in various stages of improving their business licensing system, such as the use of one unified form for license application, one-time assessment of business taxes and fees, and cutting down the steps required in business licensing. Cagayan de Oro now conducts its business permits and licensing in a newly constructed Business One-Stop Shop (BOSS) processing center that is connected to key offices at the City Hall through a computer network.

The RDC has passed a resolution urging all LGUs to implement reforms in permits and licensing system. Meanwhile, the CSC resolved a total of 59 disciplinary cases in 2010, slightly more than the targeted 56 cases, and much less than the 75 cases resolved in the previous year. Non-disciplinary cases (i.e. appeals on appointments and other personnel actions, requests for accreditation of services and correction of erroneous personal information of government employees) totaled 256 or 42 percent higher than the 180 non-disciplinary cases resolved last year.

Reporting of accomplishment by local governments continue to be improved through the Local Government Performance Management System (LGPMS). All five provinces, nine cities, and 82 of the 84 municipalities reported on the State of Local Governance (SLGRs) based on the LGPMS.

Private sector/ civil society participation in governance was ensured. At the regional level, the RDC-10 on its reorganization in July has admitted 16 private sector organizations as regular members of the Council, or 27 percent of its total membership. More PSRs sit in the subcommittees and special committees of the council, such as the regional project monitoring, land use, and committee on climate change adaptation. The RDC also enjoins its members to support all major activities of the private sector such as business conferences, forums, and trade fairs, as well as support private sector / industry groups' position beneficial to the region's economy.

On volunteerism for community development, the region produced two winners in the 2010 National Search for Outstanding Volunteers: Mr. Romeo M. de Asis, a volunteer to the parolees and probationers, for the individual category, and Year of Service Program of Xavier University, for the organization category. The RDC secretariat facilitated in the screening and endorsement of the region's nominees and awarded plaques of recognition to the two national winners.

A Regional Symposium on Volunteerism was conducted on July 15 to promote region-wide awareness on volunteerism and its alignment to the government's development thrusts. A similar activity was conducted and replicated by MSU-IIT.

Private sector participation in governance was pursued through forging partnerships with civil society organizations in various projects and activities. The five provinces and seven of the cities in the region reported forging such partnerships with their respective local CSOs. The regional offices of departments, and their provincial counterparts also engaged the private sector groups in their activities. DBM-10 for example, gave lectures and orientation on local government budgeting to partner CSOs of the Balay Mindanao Foundation, Inc. (BMFI) and the CDO Good Governance, Inc., a religious-based organization.

<u>More productive and efficient workforce</u>. To qualify prospective applicants to the bureaucracy, two Career Service Examinations were conducted in 2010 for 9,765 examinees for both the Professional and Sub-Professional levels. This is 22 percent more than the targeted 8,000 examinees for the year. Special tests like the CSC Local Scholarship Program (LSP), CSC-assisted Foreign Service Officer Examination and Stenographer Examinations were also conducted during the year.

A total of 283 eligibilities were also granted under the special laws of the country like the Bar/Board Eligibility (RA 1080), Barangay Health Worker Eligibility (RA 7883), Barangay Nutrition Scholar Eligibility (PD 1569), Barangay Official Eligibility (RA 7160/CSC Resolution No. 933666/943635), Electronic Data Processing Specialist Eligibility (PD 1408/CSC Res. 90-083), Honor Graduate Eligibility (PD 907), Scientific and Technological Specialist Eligibility (PD 997), Skills Eligibility (CSC MC 11, s. 1996, as amended, CSC Res. 072244/CSC MC 3, s. 2008); and Veteran Preference Ration (EO 790).

DILG 10, in coordination with the Multi- Stakeholders Advisory Committee (MSAC) of the Local Governance Resource Center, held a Capacity Development Expo 2010 in September 22, a venue for information sharing and linkaging for capacity development for local governance. Attended by around 287 participants from various local government units, national government agencies, non-government organizations, academe and local resource institutions, the one-day activity with the theme "Creating Synergy in Local Governance" was part of the year-long celebration of the 20<sup>th</sup> anniversary of the Local Government Code.

Aside from trainings and workshops, capacity building for local government comes in the form of actual project implementation. One such project is the Provincial Road Management Facility (PRMF). Projects under this facility, while providing for the mobility requirements in three provinces of the region, are also intended to build up skills on management of infrastructure projects, one of which is on procuring for consulting services. Beneficiary provinces of the PRMF are Bukidnon, Misamis Oriental, and Misamis Occidental. Lanao del Norte was also identified as the next project site.

Implementation of minimum wage in the region was closely monitored, with 1,051 labor standards cases handled posting a 97 percent disposition rate, and restituting a total of PhP82.198 million for 24,960 workers. This year's labor standards cases were more than twice (107%) the number handled in 2009.

Organizing among workers was encouraged. Twenty-four unions were registered with collective bargaining agreements, up by 50 percent from only 16 in 2009.

Consistent with the 22-point Labor and Employment Agenda of the President to strengthen tripartite cooperation among labor and management sectors and to promote industrial peace, the Industry Tripartite Councils (ITCs) for Information and Communication Technology, Banana, and Pineapple industries were formally organized which resulted in the crafting of the Voluntary Code of Conduct for Good Practices.

Labor and employment education assistance services were extended to 4,101 workers/employers/students in 2010, which was 76 percent lesser than the 17,213 workers/employers/students served in 2009. Established networks and internet linkages among schools, employers, workers, and students with the Department of Labor and Employment and the Provincial Employment Services Offices minimized the need to conduct DOLE actual orientations to intended participants.

DOLE-X released a total of PhP4.693 million for the Special Program for the Employment of Students (SPES), benefiting 2,691 poor but deserving students who were employed during summer by private sector companies and government agencies under the government's work appreciation and bridging program. Under the SPES law, both the government and participating private sector share in ensuring the salary of a student-beneficiary, which should not be lower than the minimum wage set by law. Sixty percent of the student's salary or wage shall be paid by the employer in cash, while the remaining forty percent of the applicable minimum wage law or hiring rate shall be paid by DOLE.

On compliance with labor standards, DOLE-X inspected 2,634 establishments with a total of 96,604 workers. This is 200 percent more than the 793 establishments inspected in 2009. More than one-half of these establishments were found to have violations involving 26,409 workers. A total of 242 establishments have corrected their violations restituting a total of PhP2.65 million benefitting 3,182 workers. This amount of restitution is 15 percent higher than last year's PhP2.31 million for 3,050 workers. Moreover, PhP45 million was paid to 940 workers of the Global Steel Philippines, Inc. (GSPI) through the GSPI Labor Union-AWATU-TUCP for unpaid salaries as stipulated in their 2007 Collective Bargaining Agreement.

<u>Greater capacity to bring about more equitable/inclusive growth.</u> NEDA staff participated in the Human Rights Based Approach (HRBA) training and its corresponding Training of Trainors Workshops. These trainings aim to ensure the conduct of advocacy in the region on the integration of human rights based approach in development planning.

DILG 10 monitored the implementation of the Mindanao Basic Urban Services Sector Project (MBUSSP) projects in the region, namely: the PhP19.8M Kapatagan Public Market, the PhP48.3M Kapatagan Integrated Bus Terminal with Commercial Complex, and the PhP33M Tudela Public Market. Completed during the year was the PhP74 million Claveria Water System.

The Provincial Road Management Facility (PRMF) Projects are ongoing in the three provinces of the region — Bukidnon, Misamis Oriental, and Misamis Occidental. Lanao del Norte is also targeted as the next province to benefit from the PRMF Project in Region 10. While augmenting the road transport requirement of the beneficiary municipalities, the project also intends to improve local capacity in project management.

The Community-Based Management System (CBMS) has been adopted regionwide to answer the need for a more reliable household level data and small area statistics for

development and project planning purposes. In 2010, all cities and municipalities enrolled with the CBMS program had completed Module I (Data Gathering). One-half of these LGUs were on Module II (Map Digitizing) and Module III (Data Processing and Digital Mapping). Seven out of the nine cities, and 50 out of the 84 municipalities in the region have completed Module III of the monitoring system.

Under the Strengthened Unified Lending Opportunities for National Growth (SULONG) Program, government financial institutions have allocated funds to be lent out to SMEs. Loans granted by DBP to MSMEs increased from 8.69 percent of total portfolio in 2009 to 12.10 percent in 2010. Total loans granted to MSME borrowers in the region rose to PhP263 million from PhP223M.

DBP continued to finance the following developmental projects within the region: solid waste management project (with outstanding loan of PhP112M as of December 2010); acquisition of RORO vessels (with outstanding loan of PhP17M as of December 2010); urban water projects (with OL of PhP517M)--one project contributed to the reduction of volume of groundwater extraction by using surface water as another source; hospital building construction (PhP90M); hospital construction/rehabilitation (PhP120M as of December 2010); and upgrading telecommunication facilities (PhP40M).

More effective decentralization and greater autonomy of local governments. The DBM monitored (through a survey) the compliance of barangays with the Budget Operations Manual for Barangays (BOMB) to ensure that proper budgeting procedures are followed at the lowest government level. At the regional level, DBM held on-site consultations with DepEd, SUCs, DOH, TESDA, and CHED to streamline and fast-track the process of updating and approval of the agencies' plantilla of personnel. The DBM targeted five trainings on the implementation of R.A. 9184- Government Procurement Reform Act, but conducted six.

To help capacitate LGUs in revenue generation, BLGF conducted trainings on Updating of Local Revenue Code for 46 LGUs, and eSRE (electronic statement of Receipts and Expenditures) clinic for the five provinces and their municipalities for a total of 98 LGUs. All LGUs had uploaded their reports to the system, which are awaiting review/approval at different user levels.

Local revenue generated in 2010 (partial) was estimated to reach 3.408 billion pesos and expected to surpass the full year 2009 local revenue of 3.862 billion pesos. Real property tax and receipts from economic enterprises were the biggest local revenue generators in year 2010.

TABLE 79. LOCAL REVENUE COLLECTION 2010 BY SOURCE, REGION 10

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Sources	Annual Target (PhP'000)	Actual Collections (PhP)	Collection Efficiency (%)					
Real Property Tax	1,143,100	1,015,589,831	89.0					
Business & Other Taxes	994,000	863,713,245	84.0					
Fees & Charges	1,207,300	481,697,515	40.0					
Receipts from Economic Enterprises	792,500	1,047,556,096	117.0					
Total	4,136,900	3,408,556,687	82.39					

Source: BLGF-10

After the 2010 election, the newly elected local officials down to the barangay level underwent a series of orientations and trainings on the specific tasks and responsibilities required of their positions. Twenty-four municipalities were trained on local legislation, while 17 barangays were oriented/re-oriented on Katarungang Pambarangay. All 448 barangays from the nine cities, and 1,485 barangays from the 84 municipalities have organized their Local Council for the Protection of Children.

<u>Peaceful, orderly and safe communities.</u> Crime volume in 2010 was 61 percent lower than that in 2009. All index crimes registered substantial decreases, with the exception of murder which had four more cases in 2010 compared to 2009. Crimes against persons were 70 percent lower compared to the previous year, while crimes against property were 37 percent lower. As a proportion to total index crimes, however, crimes against property rose to 70 percent as against 53 percent in 2009, while the share of crimes against persons went down to only 29 percent as against 46 percent in previous year. Crime solution efficiency remained low at 8.2 percent, although this was 1.7 percent better than that of the previous year.

TABLE 80. CRIME STATISTICS \* 4TH QUARTERS AND ANNUAL 2009 AND 2010, REGION 10

Indicators	Q4 2009	Q4 2010	% Change	Annual 2009	Annual 2010	% Change
Total Index Crimes	7,011	2816	-59.83	27,240	13,087	-51.96
Crimes Against Persons	3,290	873	-73.47	12,656	3,863	-69.48
Murder	124	137	10.48	524	528	0.76
Homicide	64	47	-26.56	247	164	-33.6
Physical Injury	3,050	665	-78.2	11,628	3,022	-74.01
Rape	52	24	-53.85	257	149	-42.02
Crimes Against Property	3721	1943	-47.78	14584	9224	-36.75
Robbery	948	489	-48.42	3,666	2,506	-31.64
Theft	2,486	1,267	-49.03	9,877	5,842	-40.85
Carnapping	182	146	-19.78	651	590	-9.37
Cattle Rustling	105	41	-60.95	390	286	-26.67
Total Non-Index Crimes	4,248	908	-78.63	18,000	4,480	-75.11
Total Crime Volume	11,259	3724	-66.92	45,240	17,567	-61.17
No. of Crimes Solved** <sup>a</sup>	698	338	-51.58	2,929	1,440	-50.84
Crime Solution Efficiency	6.2	9.08	2.78	6.47	8.2	1.73
No. of Crimes Cleared** <sup>b</sup>	1,353	468	-65.41	5,558	2,170	-60.96
Crime Clearance Efficiency	2.31	12.57	10.26	12.29	12.35	0.06
Average Monthly Crime Rate	89.38	29.56	-59.82	89.79	34.86	-54.92
AMCR (Total Non-Index Crime)***	33.72	7.21	-26.52	35.72	35.57	-0.16
AMCR (Index Crimes)***	55.66	22.36	-33.3	54.06	25.97	-28.09

Covering Bukidnon, Camiguin, Lanao del Norte, Misamis Occidental, Misamis Oriental and two highly urbanized cities of Cagayan de Oro and Iligan (per EO No. 36)

<sup>\*\*&</sup>lt;sup>a</sup> After Q2 2009 PNP used the new system; Cases Solved means, - cases been filed to court; if the offender has been identified, taken into custody/ been arrested.

<sup>\*\*</sup> Cases Cleared - means when at least one of the offender has been identified, there is sufficient evidence to charge him; and he has been charged before the prosecutor's office or any other court of appropriate jurisdiction. Included also in this category are solved cases.

<sup>\*\*\*</sup> per 100,000 population Source: PNP, Region 10

On the maintenance of harmonious labor-management relations, six mediationarbitration cases (union vs. union, and worker vs. union) were handled in 2010, five of which were settled. In comparison, there were seven cases handled in 2009.

Pursuant to the 22-point labor and employment agenda of the President to strengthen and restore the fairness, integrity, and efficiency in the nation's labor arbitration system, the Single Entry Approach (SENA) was adopted and Efficiency and Integrity Board (EIB) desks were established during the later part of the year in all DOLE provincial field offices to encourage amicable settlement and speed up resolution of all cases affecting workers and employers.

The region was active in the promotion of justice system at the barangay level. The Lupong Tagapamayapa Incentives Awards, gave (nationwide) recognition to Barangay Kalasungay of Malaybalay City (2<sup>nd</sup> runner-up, component cities category) in the promotion of the Katarungang Pambarangay or barangay justice system.

All local government units in Region 10 reconstituted or re-organized their respective Provincial/ City/ Municipal peace and order councils (POCs) per Executive Order No. 134, s. 2010. The reconstitution meeting held in September was highlighted by the official nomination of its new RPOC Chairperson - Camiguin Governor Jurdin Jesus M. Romualdo and Vice-Chairperson - Bukidnon Governor Alex P. Calingasan.

In the RPOC consultative conference attended by the Secretary of Interior and Local Government Jesus Robredo, a MOA was signed among RPOC members and civil society groups, sealing the multi-parties partnership to fast-track peace and development in the region.

In Misamis Oriental, a MOA signing on the Internal Security Operations (ISO) was held also in September and witnessed by Hon. Loretta Ann P. Rosales, Chairperson of the Commission of Human Rights. The MOA stipulates a formal turnover of internal security operations from the Armed Forces of the Philippines (AFP) to provincial government of Misamis Oriental, leaving the tactical part of the anti-insurgency campaign with the AFP. Hon. Rosales lauded the collaborative effort between the military and the local government as it opens a lot of avenues for dialogue.

**Regional Development Report Task Force** 

Regional Development Report Task	
Office/Division/ Staff	Contribution/Tasks Undertaken
<ul> <li>Office of the Regional Director</li> <li>RD Leon M. Dacanay, Jr.</li> <li>OIC- ARD Alan L. Olavides</li> </ul>	Overall direction and review
Planning and Policy Formulation Division  Leonila G. Cajarte Catherine Marie V. dela Rita Rio C. Yonson Al'Gemregy B. Cuerquez April Ann D. Tigulo	<ul> <li>Took the lead in the preparation of this report</li> <li>As the secretariat of the Social Development Committee (SDC) of the RDC,         <ul> <li>processed the inputs of the social sector agencies and SUCs</li> <li>prepared the Social Development Chapter</li> </ul> </li> <li>Prepared all other sections/contents of the report not assigned to other divisions</li> <li>Undertook the overall review, integration/consolidation and final packaging</li> </ul>
<ul> <li>Knowledge Management Division</li> <li>Cecilio Y. Clarete</li> <li>Agnes A. Garcia</li> <li>Peleta B. Abejo</li> <li>Wendel T. Abejo</li> <li>Marina A. Betacura</li> <li>Candido B. Balaba</li> </ul>	<ul> <li>As secretariat of the Macro and Development Administration Committee,</li> <li>processed the inputs of the macro sector agencies and LGUs</li> <li>prepared the following chapters:         <ul> <li>The Macroeconomy</li> <li>Governance and Peace and Order</li> </ul> </li> </ul>
Project Development, Investment Programming, and Budgeting Division  Nestor A. Lisondra Ramir M. Balquin Elsa B. Silfavan Cleoffe L. Dequito Ma. Estrella Luz R. Peñaloza Mezlaine Jay S. Pacana	<ul> <li>As secretariat of the Economic Development Committee (EDC),</li> <li>processed the inputs of the economic sector agencies</li> <li>prepared the Economic Development Chapter</li> </ul>
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