



National Economic and Development Authority

MINDANAO STRATEGIC DEVELOPMENT FRAMEWORK

2010-2020



National Economic and Development Authority

MINDANAO
STRATEGIC
DEVELOPMENT
FRAMEWORK

2010-2020

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Elaine Tan
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Milo Alto Paz
Sergio Roberto Bichara

Department of Agriculture Regional Field Unit XI
Davao Oriental Provincial Tourism Office
Department of Tourism Region XII
NEDA Development Information Staff
NEDA Regional Office XI
NEDA Regional Office XII



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Mindanao Strategic Development Framework 2010-2020

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For inquiries, please contact:

National Economic and Development Authority
Regional Office XI
Tel Nos. (+63 82) 296-0161 / 296-0162
Email: nedaxi_davao@yahoo.com

Regional Development Coordination Staff
National Economic and Development Authority
Tel Nos. (+63 2) 631-3743 / 638-9307
Email: rdcsmailbox@neda.gov.ph

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Preface

The MSDF defines the role of Mindanao in national development as the country's agri-industrial center, a role carved out of the current and emerging functions of the area and its potentials. This role is discussed in the three parts of this document, as follows: (a) the Vision Statement; (b) the Development Challenges; and (c) the Development Themes.

The first part provides the Vision Statement of Mindanao by 2020. It highlights the island's economic and human development aspirations that are expected to be achieved, buttressed by the island's rich natural resources, competitive human resources, and strong public-private cooperation.

The second part discusses the Development Challenges of Mindanao, particularly the fundamental issues and concerns restricting the development of the island. It centers on the need to harness the rich resources of the island, achieve a pro-poor and inclusive economic growth, address unpeace, and strengthen good governance and partnership.

The final part lays out the Development Themes. These themes are specific and strategic interventions in the form of policies and/or programs, projects and activities that are expected to respond to the identified Development Challenges and lead to the achievement of the Vision for Mindanao.

Message




I believe in the principle that we cannot grow without peace. My view on peace has not changed when it comes to the situation in Mindanao. We will only achieve lasting peace if all stakeholders engage in an honest dialogue: may they be Moro, Lumad, or Christian. It is important that everyone rally behind our common aspiration for peace as this is the foundation for growth.

While we continue to hold talks with the Moro Islamic Liberation Front, we will strive to achieve inclusive growth in Mindanao. The Mindanao Strategic Development Framework (MSDF) defines the agenda for Mindanao, emphasizing on harnessing its full potentials to accelerate inclusive growth and reduce poverty.

I congratulate the National Economic and Development Authority and the ARMM-Regional Planning and Development Office for formulating the MSDF which will be our instrument for achieving a peaceful and progressive Mindanao.

I ask for the support of every sector of society as we move for the attainment of our vision for Mindanao.



BENIGNO S. AQUINO III
President
Republic of the Philippines



Message

Mindanao holds a lot of promise for the overall growth and development of the country because of its significant land and population base and its rich natural resources. It is the biggest contributor to the country's total agricultural output. The island's potentials, however, have not been translated into sustained socioeconomic growth.

The Mindanao Strategic Development Framework (MSDF) provides a road map that will harness the potentials of Mindanao in order to spur maximum development across the area and to ensure that the benefits of growth reach the poorest sectors of society.

This framework embodies Mindanao island's socioeconomic development vision and thrusts in the next ten years. It outlines the regional and subregional strategies that aim to respond to existing and emerging political, social and economic development challenges. This document breaks ground as it portrays the distinctive role of Mindanao in national development and the peculiar attribution of the area's regions as pillars of development.

The MSDF does not provide guaranteed solutions to the challenges facing Mindanao. Rather, the MSDF serves as a blueprint for its regions to achieve integrated socioeconomic development for the island.

I enjoin our partners in government, the private sector and civil society, to continue to work together towards the attainment of the common goal for sustained peace and development in Mindanao, finding convergence through the MSDF. We hope that this document can truly guide the planners in the preparation of the successor Mindanao Regional Development Plans and contribute significantly to the Medium-Term Philippine Development Plan.

A handwritten signature in black ink, appearing to read 'C. Paderanga, Jr.' with a stylized flourish at the end.

CAYETANO W. PADERANGA, JR.
Secretary of Socioeconomic Planning
National Economic and Development Authority



Message

The Mindanao Strategic Development Framework was prepared in line with the mandate of the NEDA Regional Development Office to formulate plans and policies on regional and local development. Consistent with our advocacy for decentralized development, the MSDF was designed to help regional institutions and local governments in Mindanao work in unity to seize opportunities that may come with the global rebound from the crisis and the renewed confidence under the administration of President Aquino.

It is now the task of the subnational development planners to give flesh to the development themes of the MSDF. The MSDF's integration into the Medium-Term Philippine Development Plan, 2011-2016, is equally important as this will affirm the Framework's conformity with the national goals and objectives. Linking with Mindanao's provinces, cities and municipalities will also have to be pursued as they prepare their development plans, investment programs and annual budgets.

While the National Government pursues the completion of the peace process, it would also need to focus interventions on the needs of the most vulnerable and marginalized sectors to achieve harmony and sustainability of efforts. Crucial also, is the participation of the private sector and civil society in Mindanao's development and the entrenchment of a culture of peace.

We call on all the stakeholders to contribute to the attainment of the vision that, by the end of the decade, Mindanaoans would have reaped the gains of development and attained a better quality of life nurtured by lasting peace.

AUGUSTO B. SANTOS
Deputy Director-General
Regional Development Office
National Economic and Development Authority

Foreword




As the premier socioeconomic planning agency of the country, it is the responsibility of NEDA to provide the overall direction for national development. The NEDA Board-Regional Development Committee (NB-RDCom) was created to coordinate and integrate regional development efforts as well as promote cross-regional and regional/local concerns. In line with its task to formulate the national framework for regional development, the NEDA as secretariat of the NB-RDCom spearheaded the formulation of the Mindanao Strategic Development Framework (MSDF).

The MSDF also serves as a component of the Philippine Long-Term Strategic Plan and guides the preparation of the Successor Medium-Term Philippine/Regional Development Plans. It builds on the initiatives under the Medium-Term Philippine Development Plan, 2001-2004 particularly Chapter 15; the Updated Mindanao Development Framework Plan, 1994-1998; and regional development plans such as the Medium-Term Regional Development Plans, 2004-2010, the Regional Physical Framework Plans, and the Regional Development Agenda. These documents were ascribed as sources of stated policies and served as guide in the formulation of this Framework.

In crafting this document, interregional analyses had been employed. Consultations with the six Mindanao Regional Development Councils (RDCs)/ARMM-Regional Economic and Development Planning Board (REDPB) and the NEDA Board-Regional Development Committee-Area Committee for Mindanao (RDCom-Mindanao) were also undertaken, resulting in their unanimous endorsement of the Framework. The endorsements of the Mindanao RDCs/ARMM-REDPB affirmed the findings in the Development Challenges and the responsiveness of the recommendations and strategies under the Development Themes. In crafting this Framework, the unique and diverse demographic, physical, political and cultural endowments of each region were considered, while espousing a seamless and inclusive approach to development.

It is hoped that this Framework will be utilized by all sectors and stakeholders in order to bring lasting positive changes in the lives of the Mindanao people.


MARCELINA E. BACANI
Assistant Director-General
Regional Development Office
National Economic and Development Authority

Acknowledgement



We would like to express our sincere appreciation and thanks to the following for their valuable contributions in the formulation of the Mindanao Strategic Development Framework (MSDF):

- Assistant Director-General Marcelina E. Bacani of the NEDA Regional Development Office, Chairperson of the Policy Advisory Group on the MSDF formulation, for providing the general policy directions in the formulation of the Framework and for steering the discussions during the consultation-workshops on the preparation of the MSDF in Davao City;
- Director Susan Rachel G. Jose and the NEDA Regional Development Coordination Staff for reviewing several drafts of the document and providing technical expertise, insights and substantive contributions crucial in determining the final policy directions of the document;
- The NEDA Mindanao Regional Directors - Arturo G. Valero of Region IX, Leon M. Dacanay, Jr. of Region X, Teresita Socorro C. Ramos of Region XII, Carmencita S. Cochingco of CARAGA Region and ARMM Regional Planning and Development Office Executive Director Diamadel E. Dumagay, for their technical inputs and for securing the endorsements for the document from their respective Regional Development Councils; and the Regional Economic Development and Planning Board of the ARMM;
- The NEDA Regional Office X for assisting NEDA Regional Office XI in generating the maps that were critical in the analysis stage in the preparation of the Framework;
- The regional partners from the public and private sectors in Mindanao for serving as key informants and sources of ideas and whose valuable insights and support of this document facilitated its completion;
- NEDA Regional Office XI staff members, particularly Assistant Regional Director Bonifacio G. Uy and the core technical staff who put together the initial draft of the MSDF; and
- NEDA Regional Office X Director Leon Dacanay for the technical review of the draft MSDF prior to its finalization and NEDA Development Information Staff for copy-editing and laying out the MSDF.

A handwritten signature in black ink, appearing to read 'Ms. Lourdes D. Lim'.

MARIA LOURDES D. LIM

Regional Director

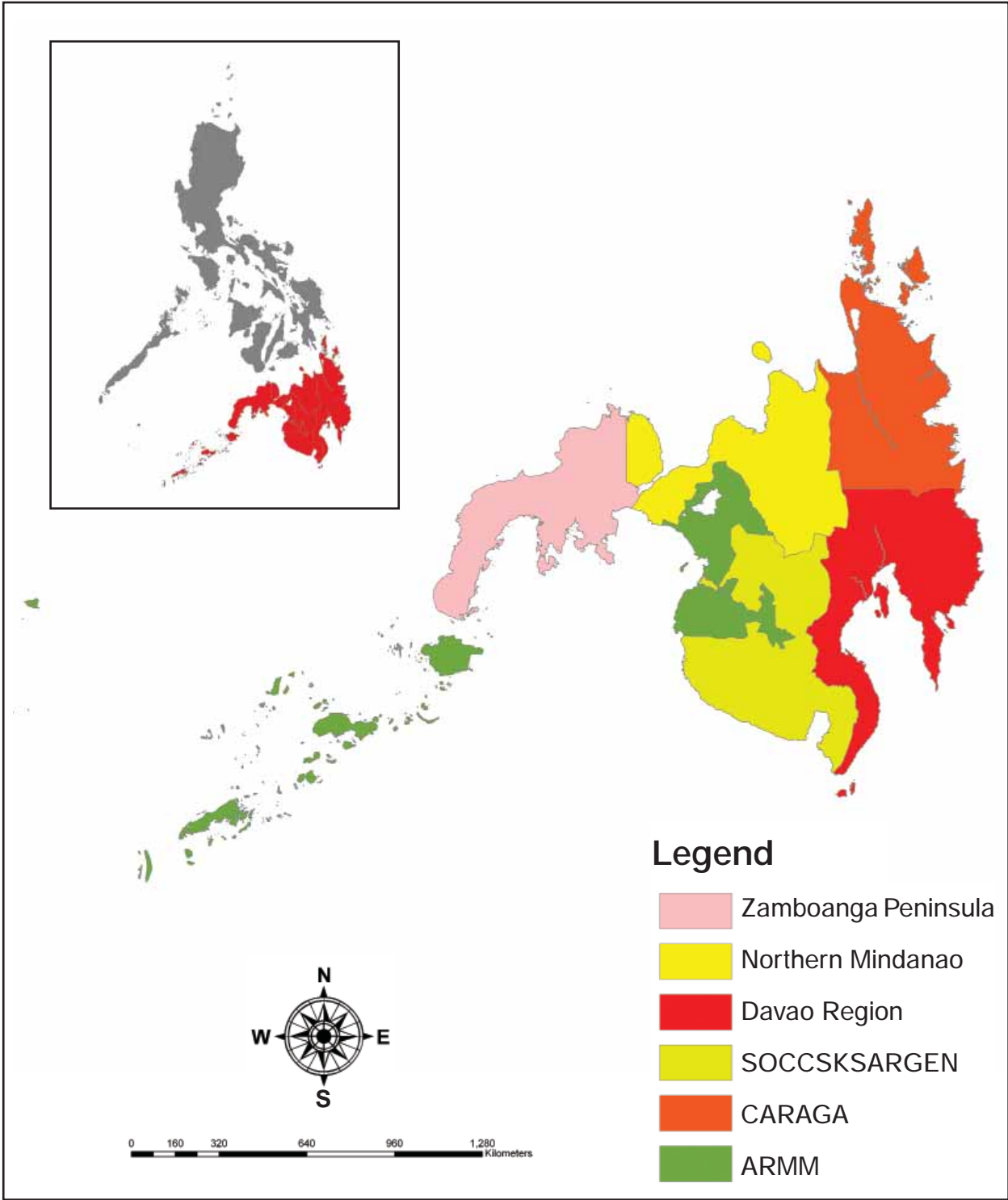
NEDA Regional Office XI

Vice-Chair, Policy Advisory Group, MSDF

List of Acronyms

ADB	Asian Development Bank	ICT	Information and Communications Technology
AFF	Agriculture, Fishery and Forestry	IDP	Internally Displaced Person
ARTA	Anti-Red Tape Act	IEC	Information, Education and Communication
ASEAN	Association of South East Asian Nations	IP	Indigenous Peoples
BAS	Bureau of Agricultural Statistics	IPRA	Indigenous Peoples' Rights Act
BOT	Build-Operate-Transfer	IRA	Internal Revenue Allotment
BPO	Business Process Outsourcing	LDC	Local Development Council
BPS-DTI	Bureau of Product Standards of the Department of Trade and Industry	LDP	Local Development Plan
CCA	Climate Change Adaptation	LGC	Local Government Code
CICT	Commission on Information and Communications Technology	LGU	Local Government Unit
CIQS	Customs, Immigration, Quarantine and Security	MARINA	Maritime Industry Authority
CSO	Civil Society Organizations	MILF	Moro Islamic Liberation Front
CTI	Coral Triangle Initiative	MNLF	Moro National Liberation Front
DA	Department of Agriculture	MINTELNET	Mindanao Telephone Network
DBM	Department of Budget and Management	MMHCBI	Muslim Mindanao Halal Certification Board, Inc.
DENR-MGB	Department of Environment and Natural Resources-Mines and Geosciences Bureau	NEDA	National Economic and Development Authority
DOE	Department of Energy	NG	National Government
DOT	Department of Tourism	NGO	Non Government Organizations
DRR	Disaster Risk Reduction	NIPAS	National Integrated Protected Areas System
DTI	Department of Trade and Industry	NSCB	National Statistical Coordination Board
EPIRA	Electric Power Industry Reform Act	NSO	National Statistics Office
GDP	Gross Domestic Product	NTC	National Telecommunications Commission
GRDP	Gross Regional Domestic Product	ODA	Official Development Assistance
GRP	Government of the Republic of the Philippines	OTOP	One-Town, One-Product
GVA	Gross Value Added	PEZA	Philippine Economic Zone Authority
HDI	Human Development Index	PLDT	Philippine Long Distance Telephone Company
HLURB	Housing and Land Use Regulatory Board	PPP	Public-Private Partnership
		RDC	Regional Development Council
		RORO	Roll-on/Roll-off
		SME	Small and Medium Enterprise
		SUCs	State Universities and Colleges

Figure 1. Map of Mindanao



VISION

for Mindanao's Development



Vision for Mindanao's Development

Envisioned by 2020 is a peaceful and socially-inclusive Mindanao with a strong, sustainable, competitive, ICT-driven, agri-industrial, and resource-based economy that is responsive to local and global opportunities.

Drawing from its rich natural resources and strong human potentials, Mindanao shall have strengthened its niche as the country's agri-industrial base and frontier for tourism and mineral industries in the next decade. This evolution shall be supported by innovations and advancements in information and communications technology (ICT), allowing the generation of higher economic productivity that will create more employment and empower the poor to engage their participation in the growth process.

To ensure that the benefits are shared by all sectors of society in all the regions of Mindanao, economic and physical linkages will be strengthened. Economic linkages between and among markets and production areas and physical linkages through infrastructure, transport and communication facilities shall have been improved. These linkages shall have enhanced the delivery of basic services and dispersed economic opportunities and activities even to the island-provinces and rural areas. Mindanao shall have been fully integrated to the rest of the country and to the world by developing its gateways and its strategic growth areas.

For Mindanao's human resources to keep pace with the requirements for development,

capabilities shall be continuously upgraded to enable its labor market to take advantage of the anticipated growth of local employment opportunities. The existing educational system shall be improved for it to effectively meet the demands of the labor market. Mindanao's prime concern in this context shall be to spread economic growth among the population by increasing the capacities of its labor force.

Peace and social inclusiveness shall be given prominence in the attainment of the overall development of Mindanao in consideration of its unique situation, with its diverse religions, ethnic groups, ideologies, and cultures, as well as the persistence of conflict in some parts of the island. The development process shall thus involve good governance and broad people participation, as well as strong public-private cooperation.

Focus shall be given to the delivery of basic services especially targeted at vulnerable groups. The equitable distribution of resources and wealth, development opportunities, and access to services and facilities for everyone, regardless of ethnicity, gender, income, literacy and religion, shall be relentlessly pursued so that the benefits from Mindanao's development shall be truly shared by all.

By the end of the decade, the people of Mindanao shall have reaped the gains of development and attained a better quality of life nurtured by lasting peace.



**DEVELOPMENT
POTENTIALS &
CHALLENGES**

Development Potentials

Mindanao's development draws from the potentials and opportunities provided by the interaction of its people, location, and physical resources.

The second biggest island of the country, Mindanao is home to 21.5 million people in 2007, almost a quarter of the total population of the Philippines. Some 27 indigenous cultural communities live in the area, together with migrants from Luzon and Visayas. Mindanao has a labor force participation rate of 65 percent and boasts of a versatile, adaptive and English-speaking workforce. Its population is relatively literate, with eight out of 10 persons able to read and write.

Mindanao holds high prospects for agri-industrial development. Most of its regions are located outside the typhoon belt. It is endowed with eight major river basins, namely: Agusan, Tagoloan, Cagayan de Oro, Tagum-Libuganon, Davao, Buayan-Malungon, Agus and the Mindanao River – all of which could supply water for irrigation and other related needs. One-third of its land area is devoted to agriculture. It is considered the country's food basket, supplying over 40 percent of the country's food requirements and contributing more than 30 percent to national food trade. It is also the country's major producer of rubber, pineapple, banana and coffee.

Mindanao's large Muslim community and its trading relationships with the east Asia, offer opportunities in the Halal industry. Progress has been achieved with the establishment of the Muslim Mindanao Halal Certification Board, Inc. (MMHCBI) and the formulation

of Halal Certification Guidelines used as basis for the Philippine National Standards on Halal Food promulgated by the Bureau of Product Standards of the Department of Trade and Industry.

The cultural diversity of its people and its resource-rich environment also make Mindanao one of the country's potential tourist destinations. Its tourism industry shares about 17 percent of the national tourist traffic, comprising mainly domestic tourists.

Endowed with rich mineral resources, Mindanao contributed about 21 percent of the country's total mining output from 2006 to 2008. Its mineral deposits are valued at \$312 billion or about 40 percent of the country's total mineral reserves of \$840 billion (DENR-MGB, 2008). The CARAGA and Davao regions contribute the most to the national output with more than eight percent each.

Eastern Mindanao, North Central Mindanao, Zamboanga Peninsula, and Southeastern Mindanao are considered high-interest mining areas, with rich deposits of gold, copper, iron, chromium, nickel, cobalt and manganese.

Mindanao also has vast potential for renewable energy sources. Substantial volumes of agricultural residues are a potential source of biomass energy; Siargao Island and Davao Oriental are ideal sites for ocean energy generation; while Surigao is a potential site for wind power.



Improvements in the policy environment of the telecommunications industry have converted information and communications technology (ICT) into a cutting-edge industry in Mindanao. This is now one of the island's major revenue and employment generators. In 2008, the business process outsourcing (BPO) industry earned about US\$6 million in revenues and it is expected to generate 500,000 jobs for Mindanao by end of 2009. Davao and Cagayan de Oro Cities are identified as among the top ten next wave cities for BPO operations and are expected to lead in positioning Mindanao as the new ICT hub among its neighbors in the Asia Pacific Region.

Mindanao also boasts of existing cooperation between the public and private sectors, which have a shared desire to foster development and harmony in the island through dialogue and consensus building. NGOs, civil society organizations and the business community have jointly undertaken initiatives for cultural integration, empowerment of marginalized groups, provision of basic social services, economic development, and peacemaking. Effective horizontal linkages are likewise evident, as these sectors also participate in policy-making bodies and organizations, including the Regional Development Councils (RDCs) and Local Development Councils (LDCs).

Development Challenges

The fundamental challenge for Mindanao is to harness its potentials in support of development. While its economy shows signs of growth, its output levels remain low.

Mindanao's gross regional domestic product (GRDP) from 2002 to 2009 grew by 4.3 percent on the average, higher than the national and Luzon averages of 4.2 percent and 4.0 percent, respectively. Visayas grew faster at 4.6 percent. Despite this growth, Mindanao's share in the total output of the country remains low compared to Luzon and NCR. It contributed an annual average of 18.2 percent to the country's gross domestic product (GDP) for the same period, compared with Luzon's 64.91 percent. Visayas has a lower share at 16.9 percent.

The persistently low output growth of Mindanao's economy has resulted in low income, aggravated poverty, and hindered efforts to achieve lasting peace. This is reflected in the results of the 2006 Human Development Index (HDI), which show that majority of the lowest-ranked provinces are from Mindanao.

Mindanao has to improve its capital investments in order to address poverty. While the percentage share of Mindanao to national government expenditure has increased from 2003 to 2007, it is still lower compared with that of Luzon. This deficiency in allocation could have been counterbalanced by other sources such as the official development assistance (ODA). However, Mindanao's share in ODA is also low. Of the US\$4,110 million country's ODA commitments in 2009 that are not nationwide or multiregional in coverage, Mindanao accounts for only 11 percent. ODA commitment was heavily skewed in favor of Luzon with its share of 81 percent.



Harnessing the Full Potential of Mindanao's Rich Resources

Harnessing the full potential of Mindanao's resources will spur its economic growth. This means making initiatives to improve agricultural productivity; attracting investments for various economic activities including mining, tourism and ICT; and attaining lasting peace.

Low level of technology limits the productivity of Mindanao's agricultural lands. The bulk of Mindanao's agricultural outputs consist merely of fresh farm produce. Production costs are high due to expensive transport and production inputs. In addition, its agricultural industry has a limited supply of skilled labor, as in agriculture, fishery and forestry (AFF) and natural resources-related courses is drastically declining.

Furthermore, the adverse effects of changing climate patterns are threatening food security. For instance, prolonged drought due to El Niño has reduced harvests in certain areas. Studies by the Department of Agriculture suggest that total agricultural production losses for the country could range from P8.09 billion under mild El Niño conditions, to P20.46 billion under a severe dry spell.

To attract investments, six Agri-Industrial Economic Zones registered with the Philippine Economic Zone Authority (PEZA) are currently operating in Mindanao. Two are located in Cagayan de Oro City, two in South Cotabato, one in General Santos City, and one in Davao City. Efforts are underway to develop three others in Bukidnon, Davao City and South Cotabato.

Mindanao's mining industry, despite the island's rich mineral deposits, has not fully taken off as production remains unstable. Mining production grew 14 percent in 2006-2007 but fell in 2007-2008 in the Zamboanga Peninsula, Davao and CARAGA. In particular, CARAGA posted a 14 percent drop in mining

output from a 76 percent growth for the same period. It was only in Northern Mindanao where mining grew to 20 percent from the previous -5.6 percent.

To help the mining industry take off, it is crucial to create a suitable regulatory environment that is investor-friendly and that ensures compliance with all environmental regulations. For instance, decentralization of approval of mining exploration permits could shorten processing time and encourage more investments. Local governments also need to be further involved, particularly in regulating small-scale mining operations, and in monitoring and addressing environmental degradation and conflicting land uses. At the national level, policies with respect to the mining sector (e.g., Mining Act of 1995 and the Indigenous Peoples Rights Act) need to be harmonized.

As far as tourism is concerned, the industry has relied heavily on its natural attractions to entice visitors, but has left out one possible niche: its rich cultural heritage. In addition, the Mindanao tourism industry has been hampered by infrastructure inadequacies, limited investment in related services (golf, health and wellness, cruises, yachting, marinas, conference, museums, etc.), and insufficient accommodation facilities.

To attract the international tourist market, accessibility to tourist destinations must be improved, alongside amenities and travel safety. Mindanao must employ a sustained, investment-driven strategy in all aspects of tourism – infrastructure, utilities, product innovation and development, destination marketing, and human resource development to achieve the projected growth in tourism over the next decade.

The ICT industry is another area that could raise the productivity of resource-based industries.



As of 2010, Mindanao hosts four PEZA-registered IT Parks, with three in Davao and one in Cagayan de Oro. Five more are being developed in Davao (2), General Santos (1) and Cagayan de Oro (2). To sustain the growth of the ICT industry, the PEZA needs to host more sites that provide low-cost real estate and adequate energy supply. Among the areas that are initially identified for IT development are in Zamboanga Peninsula and other areas in Northern Mindanao and SOCCSKSARGEN.

Energy security is also crucial to the continued growth of industries in Mindanao. From 2008 to 2017, Mindanao's peak demand is projected to rise to an annual average of 4.4 percent (DOE, 2009). Unless the energy capacity of Mindanao is increased, power shortages will occur and threaten the growth of Mindanao's

production sectors. Climate change likewise poses fundamental threats to Mindanao's energy security, which is largely dependent on hydropower. Dwindling water levels due to El Niño have hampered Mindanao's power supply. The situation has been aggravated by the degradation of Mindanao's watersheds like Lake Lanao, which is the primary source for the Agus Hydro-Electric Power Plants.

In this regard, the energy-mix of Mindanao must be expanded by exploring alternative renewable energy sources such as biomass, solar, wind, and ocean power. This should be accompanied by efforts to address the degradation of watersheds to improve their water carrying capacity for hydropower.

Table 1. Key Socioeconomic Indicators

Indicators	Year	Philippines	Luzon	Visayas	Mindanao	Mindanao Regions	
Number/Distribution (%) of Population ^{a/}							
	2007	88,566,732 (100)	49,818,331 (56.25)	17,159,481 (19.37)	21,586,641 (24.37)	IX	3,230,094 / (3.65)
						X	3,952,437 / (4.46)
						XI	4,156,653 / (4.69)
						XII	3,829,081 / (4.32)
						XIII	2,293,480 / (2.59)
						ARMM	4,120,795 / (4.65)
GDP/GRDP Growth Rate (%) at constant prices ^{b/}							
	2002-2009	4.2	4.0	4.6	4.3	IX	4.2
						X	4.8
						XI	4.6
						XII	4.0
						XIII	3.6
						ARMM	3.1
	2008-2009	1.1	(0.2)	3.2	3.7	IX	6.8
						X	2.9
						XI	5.4
						XII	1.3
						XIII	2.7
						ARMM	2.6
GDP/GRDP Levels (in million Pesos) and GVA Distribution (%) ^{b/}							
GDP/GRDP	2009	1,432,115.5 (100)	929,634.9 (64.91)	241,787.3 (16.88)	260,693.3 (18.20)	IX	38,196.7
						X	73,206.8
						XI	67,366.6
						XII	50,556.3
						XIII	18,957.6
						ARMM	12,409.4
AFF	2009	18.11	8.41	3.25	6.46	IX	1.31
						X	1.62
						XI	1.15
						XII	1.47
						XIII	0.42
						ARMM	0.50
Industry	2009	32.13	21.92	4.90	5.31	IX	0.47
						X	1.55
						XI	1.62
						XII	1.12
						XIII	0.45
						ARMM	0.10
Services	2009	49.75	34.58	8.74	6.43	IX	0.88
						X	1.94
						XI	1.94
						XII	0.94
						XIII	0.46
						ARMM	0.27

Table 1. Key Socioeconomic Indicators (continued)

Indicators	Year	Philippines	Luzon	Visayas	Mindanao	Mindanao Regions	
Poverty Incidence (% Pop'n) ^{b/}							
	2003	30.0	22.2	36.1	44.2	IX	49.2
						X	44.0
						XI	34.7
						XII	38.4
						XIII	54.0
						ARMM	52.8
	2006	32.9	25.3	39.8	45.5	IX	45.3
						X	43.1
						XI	36.6
						XII	40.8
						XIII	52.6
						ARMM	61.8
Share to NG Expenditure Program/Special Purpose Fund (%) ^{c/}							
	2003	100	55	21	24		
	2007	100	52	21	27		
	2010	100	53	21	26		
Share to LGU budget allocation ^{d/}							
	2003	100	48	24	27		
	2007	100	51	22	27		
	2009	100	53	18	29		

Table 2. Major agricultural products: Philippines and Mindanao, 2008 ^{d/}

Agricultural Products	Philippines (in MT)	Mindanao (in MT)	Percent Share of Mindanao to Philippines	Top performing region and percent share to Mindanao
Rubber	411.00	411.00	100.0	IX 42.3
Pineapple	2,909.30	1,950.80	88.3	X 51.6
Banana	8,687.60	7,045.80	81.1	XI 50.5
Coffee	97.40	72.70	74.6	XII 36.2
Coconut	15,319.50	9,230.70	60.3	XI 28.9
Corn	6,928.00	3,670.00	53.0	X 30.7
Palay	16,816.00	3,835.00	22.8	XII 32.2
Mango	884.00	199.80	22.6	IX 26.6
Sugarcane	26,601.40	4,981.00	18.7	X 68.7

Table 3. Human Development Index/Rank ^{e/}

Rank	2000	HDI	2003	HDI	2006	HDI
77	Sulu	0.294	Sulu	0.321	Sulu	0.326
76	Tawi-Tawi	0.367	Maguindanao	0.384	Tawi-Tawi	0.332
75	Basilan	0.405	Tawi-Tawi	0.398	Maguindanao	0.430
74	Masbate	0.409	Basilan	0.429	Basilan	0.434
73	Maguindanao	0.413	Masbate	0.454	Lanao del Sur	0.445
72	Lanao del Sur	0.417	Zambo del Norte	0.459	Masbate	0.457
71	Eastern Samar	0.436	Sarangani	0.478	Sarangani	0.475
70	Western Samar	0.440	Western Samar	0.491	Eastern Samar	0.484
69	Agusan del Sur	0.470	Eastern Samar	0.494	Zambo del Norte	0.487
68	Sarangani	0.473	Lanao del Sur	0.494	Romblon	0.487

Sources:

a/ National Statistics Office

b/ National Statistical Coordination Board

c/ Department of Budget and Management

d/ Bureau of Agricultural Statistics

e/ Philippine Human Development Report

Addressing the Poverty Situation

Mindanao's provinces are among the poorest in the country. Poverty incidence increased to 45.5 percent in 2006, higher than the national average of 32.9 percent (Figure 1). The 2006 Human Development Index (HDI) shows that seven of the 10 poorest provinces are in Mindanao and five of the poorest seven provinces are in ARMM, namely Sulu, Tawi-Tawi, Maguindanao, Basilan and Lanao del Sur. The provinces of Sarangani (SOCCSKSARGEN) and Zamboanga del Norte (Zamboanga Peninsula) complete the list of Mindanao provinces at the bottom 10 of the HDI ranking.

The component indices of the HDI rankings of the 10 poorest provinces show that: eight provinces had the lowest basic enrolment rates; six provinces had the lowest high school graduation ratios; seven provinces had the lowest real per capita income; and five provinces had the lowest life expectancy rates.

Poverty in Mindanao, as reflected by the HDI rankings, may be due to the nature of employment opportunities which are mostly short-term and seasonal. A substantial number of people depend on subsistence agriculture. This has not translated into long-term improvement and overall wellbeing of the population. Low agricultural productivity, particularly for rice and corn, compounds the problem of limited employment opportunities. With few value-adding agri-industrialization activities in the countryside, the agriculture-based economy has failed to lift people from poverty.

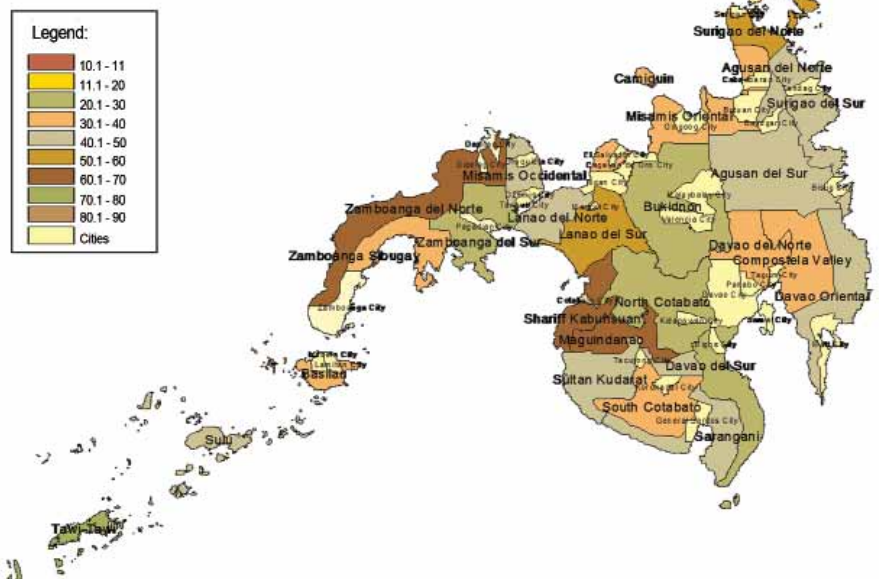
Minimal and unsustainable economic growth in Mindanao has also

contributed to the failure of anti-poverty efforts. From 2002-2009, average growth was 4.3 percent, going down to 3.7 percent in 2008-2009 – certainly not the growth pattern that would create more jobs and open up better income opportunities for the population.

The other side of the problem is poor access to basic services, particularly health, nutrition and water and sanitation services, and housing. This is attributed to the limited capacity of service providers, particularly the local government units (LGUs) in delivering these services mandated under the Local Government Code (LGC) of 1991.

Social inequities and peace problems have also hindered efforts to reduce poverty in Mindanao. As of 2006, 3,847 barangays in Mindanao were reported to be in armed conflict. Along with the lack of access to economic opportunities and basic services, social inequity has been cited as a cause of unresolved conflict in Mindanao. Thus, addressing the peace situation over the long term requires sustained economic growth with bias toward poverty alleviation.

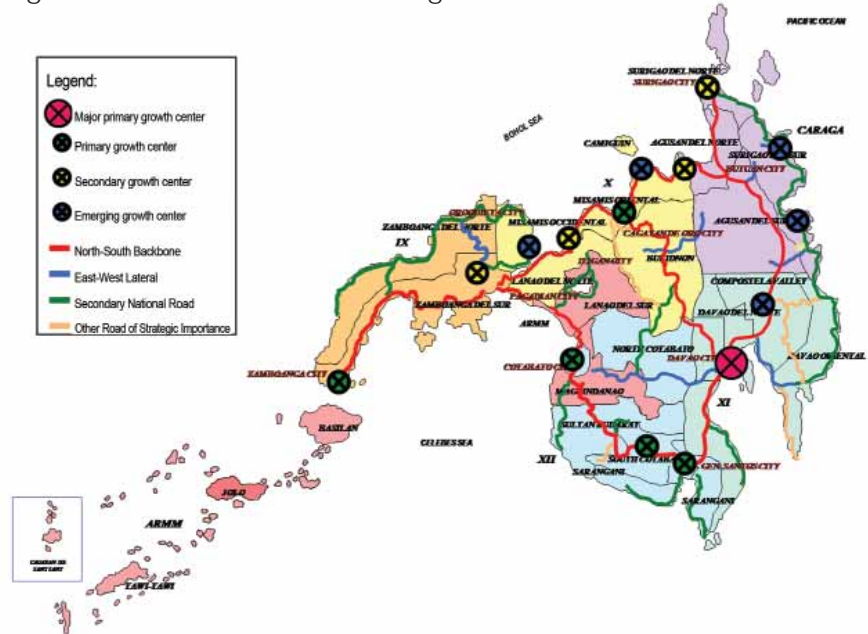
Figure 2. Poverty Incidence, Mindanao, 2008



Improving Physical and Economic Linkages

Addressing the poverty situation in Mindanao and harnessing the full potential of its resources for economic growth require an integrated approach that allows free flow of people, capital and goods and broader access to markets for raw materials, finished products, and services, as well as innovative ideas and information. These will be facilitated by improvements in transportation and communication facilities that will strengthen physical and economic linkages among the primary and secondary growth centers and the rural economies of Mindanao, as well as between Mindanao and the rest of the country and the world.

Figure 3. Mindanao's network of growth centers, 2007

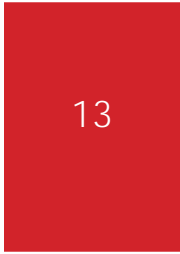


The primary growth centers of Mindanao are the cities of Davao, Cagayan de Oro, General Santos, Zamboanga, and Cotabato, with their large population and well-developed economic and commercial activities such as education, banking and services. Davao City, one of the country's international gateways, functions as Mindanao's major growth center. Meanwhile, the cities of Koronadal, Iligan, Pagadian, Butuan and Surigao have been identified as secondary growth centers, which function as distribution centers and links to the rural areas. (Figure 3)

To increase trade and passenger activities to and from Mindanao, its international and domestic transport connections must be improved. Exports comprise 25 percent of trade in Mindanao. Imports, for its part, consist mainly of manufactured goods, mineral fuels, lubricants and related materials, chemical and related products, as well as machinery and transport equipment from the NCR.

Mindanao's transport system is trimodal (road-sea-air), considering its widely-dispersed islands and mountainous areas. Its airports and seaports thus need to be improved and upgraded in order to strengthen its linkages with Luzon and the Visayas, as well as with other countries. The road network in the island needs to be completed as well to connect the rural areas to the growth centers.

The cities of Davao, General Santos and Zamboanga are served by international airports. These cities are Mindanao's gateways to the rest of the country and its Asian neighbors. In 2005, volume of cargo has increased by about 8 percent in these three airports, with Davao having the biggest share of 60 percent (DOTC). Among all these airports, Davao International Airport is the busiest and accounts for about 50 percent of passenger traffic in Mindanao (DOTC). Zamboanga's area of influence includes the Sulu archipelago, and serves as the gateway to Southeast Asia.



Apart from these international airports, the most strategic airports with large areas of influence needing expansion and improvement include Zamboanga, General Santos, Cotabato and Butuan. The Butuan airport also needs improvement because of its high passenger growth rate. Butuan Airport serves the entire CARAGA region, which has been identified as the agroforestry and mineral center of Mindanao. Its areas of influence include the provinces of Surigao del Sur, Surigao del Norte and Agusan del Sur.

While air trade has been picking up, 98 percent of the goods to and from Mindanao are still traded coastwise, mostly through the ports of Davao, General Santos, Cagayan de Oro and Zamboanga (NSO, 2008). These cities, including Cotabato, Iligan and Surigao have base seaports. The coastal and island-provinces are served by secondary and government ports. Basilan, Sulu and Tawi-Tawi serve as subports to Zamboanga City's hub port and provide connectivity to the smaller islands nearby. Tawi-Tawi via Bongao, for example, is close to the BIMP-EAGA Growth Area and is a potential international gateway. The Benoni Port connecting Cagayan de Oro City and Camiguin is another strategic port, for it is the central gateway to the Visayas. The areas of influence of these ports include provinces with the highest poverty incidence in the country.

The Mindanao Container Terminal Port in PHIVIDEC Industrial Estate, the only international container terminal in Mindanao, has also served as sub-port of entry for international destinations such as Japan and ASEAN countries.

The high cost of sea transport needs to be addressed as well. Domestic cargo shipping rates are more expensive than foreign rates (NEDA XI, 2010). Shipping rates from Manila to China, for example, is only US\$250 per 20-footer container van compared to Davao to Cebu's US\$808 per 20-footer container van despite the shorter distance. This means domestic shipping costs of US\$1.3 per nautical mile for every 20-footer container van, which is 70 percent more expensive than the foreign shipping rate

of only US\$0.38 per nautical mile along this particular route. The access of foreign-owned ships, moreover, is limited only to the base ports.

Mindanao's road network also needs improvement. Roads in Mindanao account for 24 percent of the national total, yet the island's percentage of paved roads is 7 percent lower than the national average. Among Mindanao regions, CARAGA had the lowest proportion of paved roads (50%) to total road length, followed by ARMM and Davao Region, both with 61 percent each. ARMM had the shortest road length among Mindanao regions with only 994.6 kilometers, compared with Mindanao's average road length of 1,200.9 kilometers. Given such road conditions, travel time from Mindanao to Luzon, through the Visayas, is about 10 hours more than the average and the costs of cargo shipment and human transport are about 30 and 40 percent more expensive, respectively.

There is a need to increase access to telecommunication facilities, particularly cellular phone services, to cover the entire island. To date, telecommunication channels are dependent largely on the cellular phone services provided by private telecommunications companies and on the services of the fixed line service providers such as PLDT and Bayantel. Through the Mindanao Telephone Network (MINTELNET) project, fixed line services have been provided to 33 localities in all the Mindanao regions covering almost all provincial centers. In the short term, efforts should focus on providing uninterrupted signal along arterial road networks in Mindanao.

While Davao Region, Northern Mindanao and the Zamboanga Peninsula were identified as the most conducive sites for ICT Hubs in Mindanao. There may be a need to designate additional PEZA-registered IT parks to further boost the ICT industry.

Sustaining the Gains Achieved Towards Peace

Until now, peace and stability in Mindanao has yet to be fully attained. The conflict between the government and Moro secessionist front and the armed communist movement continues to elude lasting and just closure. This situation is aggravated by the presence of private armies operated by local warlords, as well as armed bandits.

A major source of conflict in Mindanao is competition over the ownership and control of the land and natural resources. The peace process with the Moro Islamic Liberation Front (MILF) and Moro National Liberation Front (MNLF) continues to be hounded by unresolved issues related to the ancestral domain agenda. Even among the different groups of Indigenous Peoples, concerns have been raised on the implementation of the IPRA particularly with regard to ancestral domain claims.

The Philippine Human Development Report of 2005 contends these conflicts have prevented efforts to achieve socioeconomic goals, particularly poverty reduction. What results is a vicious cycle: most of Mindanao's conflict-affected provinces already have the highest incidence of poverty in the country; and unresolved conflicts exacerbate the situation through loss of life and property, internal displacement, and massive rural to urban migration. These come with a severe economic cost: low levels of competitiveness, trade and tourism investments flows, and productivity, among others. Limited government resources, which are supposed to address primary concerns such as education, health and livelihood, are further drained by the need to respond to these conflicts.

While efforts towards resolving the conflict in Mindanao have gained initial success, the challenge now is to mobilize shared responsibilities between the government and the citizenry to sustain the gains in addressing the peace situation in Mindanao.



Strengthening Governance and Partnerships

Mindanao's LGUs need to be encouraged to lead the development of their areas through improved governance, including the generation and mobilization of resources to effectively deliver basic services and build up their economic bases. Local governments should actively engage the private sector, the academe and the civil society as partners in good governance. These sectors should link with convergent economic activities to improve the delivery of basic services and advocate for continuing peace and development initiatives. Public-private partnership (PPP) must be tapped as an alternative way for LGUs to provide public infrastructure, community facilities and related services. However, due to lack of knowledge and aversion to the tedious process involved, only a few LGUs are undertaking projects through PPP arrangements such as the Built-Operate-Transfer and its variants.

Good governance includes establishing an efficient system that generates revenue through realistic income projections, balanced and sustainable source of budget, and increased efficiency of revenue collection. The national government has jumpstarted revenue-generating systems to improve local governance, transparency and accountability at the national and local levels, and also to support fiscal prudence and discipline in the bureaucracy. To date, however, local governments, in general, must continue to improve their low utilization rates for these revenue generation and related systems.



DEVELOPMENT
THEMES

Photo by S. W. Yang

Development Themes

The vision of Mindanao shall be achieved and its development challenges addressed through the following five strategies: (a) sustainable resource-

based industrialization; (b) growth with social equity; (c) efficient logistics support; (d) peace building; and (e) good governance and strong partnership.

Sustainable Resource-Based Industrialization

Mindanao's abundant physical and human resources shall be harnessed to promote sustainable agriculture and resource-based industries; ensure food security; develop tourism; and improve mineral industries. As such, the following major strategies shall be undertaken, namely:

Agriculture, Fishery and Forestry Sector Development

The development of the agriculture, fishery and forestry sector in Mindanao requires, among others, modifications in agricultural systems or practices and improvement in skills and technology. Considering Mindanao's potentials to lead in this sector, the following interventions shall be initiated to improve its productivity and sustainability:

Intensify promotion of existing agri-industrial economic zones in Mindanao and establish new ones

Agri-industrial economic zones can: (a) attract major foreign investments; (b) open opportunities for access to modern agriculture technology; (c) promote backward and forward linkages between agriculture and processing industries; (d) pave the way for the production of high value-added products and better quality commodities for the export market; (e) increase agricultural share in export earnings and employment; (f) accelerate agri-business development

Mindanao's rich physical and human resources shall be utilized to promote sustainable development in agriculture and agri-based industries, tourism, and mineral industries.

in the countryside; and (g) provide local employment opportunities and, ultimately, generate sustainable income (PEZA, 2010).

Efforts to promote existing agri-industrial economic zones in Lanao del Norte, Davao del Sur, Cagayan de Oro City, General Santos City and South Cotabato shall be intensified to encourage locators. Development of new agri-industrial economic zones shall also be pursued, specifically in CARAGA to support its wood industry; in Davao Region to intensify value-adding activities for major produce such as banana, coconut, mango, cocoa and seaweeds; and in Bukidnon to develop new fruit- and vegetable-based processing plants and the packing industry for its growing agri-industrial enterprises.

Mindanao will also gain from the thriving Halal industry. Demand for Halal-certified products worldwide has been increasing, and is estimated to escalate in the coming years. By tapping the East Asia and Middle East markets, the Halal industry can also be a catalyst for closer economic ties with the countries in these regions.

Having a wider Muslim population base compared to other regions in the country, ARMM shall be tapped as the lead region in Halal accreditation. Related economic activities will involve certification, branding services, joint-venture opportunities and foreign direct investments.

Improve and adopt farming and processing technologies for high value commercial crops, and aim for more sustainable fishing and forestry industries

Improvement and adoption of farming and processing technologies of high-value commercial crops, such as banana, pineapple, and coffee shall be pursued to increase productivity and quality. These shall also be supported by an expansion of credit facilities, provision of post harvest facilities, infrastructure and irrigation systems. Crop output quality shall be improved, and by-products that will generate market niches in both local and export markets shall be created.

The fishery industry, particularly in Central Mindanao for tuna and Zamboanga Peninsula for sardines and seaweeds, shall be boosted by stepping up the rehabilitation of the marine resources and adopting more sustainable fishing technologies to ensure long term competitiveness. Relevant laws like Republic Act 9379 otherwise known as “An Act Defining Hand-line Fishing, Providing Effective Regulations Therefore and for Other Purposes,” shall be religiously enforced to define and harmonize regulation mechanisms of the different agencies involved in the management of marine resources.

The forestry industry in Mindanao shall encourage community involvement in the restoration of vital watersheds and protected areas, while providing benefits through community-based livelihood programs at the same time. Productivity shall be increased through the adoption of culturally-sensitive tree-farming technologies suitable for communities in the uplands of CARAGA, Northern Mindanao and Davao Regions. Watersheds such as Agusan, Tagoloan, Cagayan de Oro, Tagum-Libuganon, Davao, Buayan-Malungon, Agus and Mindanao River Basins shall be restored.

Overall, this strategy will entail engaging and organizing the upland communities, civil society

and local government units in sustainable marine, agricultural, upland and forest management.

Improve investments in research and development (R&D) and extension services

Research, development, and extension services related to agriculture, fisheries, forestry and natural resources shall be actively pursued. These shall include R&D on farm production and post-harvest technology for existing and potential export products. Focus shall be given on the identification of crops to be cultured given soil and terrain suitability, raw materials, cost of inputs, and their marketability. Similar attention shall be given to developing better-engineered food crops that could withstand the devastating effects of climate change.

Existing consortia of research and extension networks in Mindanao, led by the agricultural resources research institutions, shall be organized to initiate data banking on research, particularly for potential export products; hasten transfer and commercialization of technologies developed by state universities and colleges (SUCs); and improve the complementation of private and government researches.

Intensify promotion of agriculture, fishery and forestry (AFF) and natural resources-related courses and maximize utilization of national programs relative to AFF and natural resources human capital build-up

This intervention seeks to curb a shortage in future supply of AFF and natural resources professionals brought about by the declining interest in AFF and natural resources-related courses, which would have a considerable impact on the productivity and development of these sectors.

SUCs in Mindanao, the primary institutions mandated to provide instruction, R&D and extension services on AFF and natural resources, shall intensify its efforts to promote enrolment in AFF and natural resources-related courses. Promotion of AFF and natural resources courses in the public and secondary schools shall also be undertaken.

Efforts shall likewise be directed at ensuring maximum utilization of national programs relative

to AFF and natural resources human capital build-up, like the national program on “Enhancing the Demand for AFF and natural resources through Science and Technology”. This program seeks to curb the declining trend in AFF and natural resources enrolment through direct interventions to improve the quality of degree programs and to increase enrolment in AFF and natural resources courses and allied fields.

Tourism Development

Optimizing the tourism highways initiative

Tourism highways shall be developed and promoted. This entails tightening coordination and collaboration among the LGUs, private sector and national government agencies in the development of infrastructure facilities, sea and air linkages and e-commerce. The customs, immigration, quarantine and security (CIQS) procedures among East Asian countries and the emerging partnerships of the Philippines with Hong Kong-Macau-Guangdong-Fujian and Taiwan shall be harmonized to assist greater mobility of people, goods and services.

Developing efforts on tourism circuits

Thematic tourism shall be pursued with the concept of tourism circuits that highlight each region’s uniqueness. Each circuit will showcase the richness of Mindanao from Highlands to Islands and the best ways to explore them. Tourism shall have twin themes of nature and business to cater to both economic and leisure objectives of domestic and foreign tourists. Tourism for business involves enhancing Mindanao’s image as a venue for business-related activities such as conferences and meetings, trade fairs and the like. Tourism for nature, on the other hand, shall showcase the beautiful natural sceneries of Mindanao and its rich cultural heritage within an eco-tourism framework of environmentally friendly and culturally-sensitive tourism activities. The following are the tourism circuits and the respective themes to be developed:

West Mindanao Tourism Circuit, built around Zamboanga as an international gateway

This circuit shall showcase the region’s unique culture. The development of beach resorts, for example in Dakak, may be smaller in scale than those in other



circuits. The fishery industry shall be this circuit’s business theme;

North Mindanao Tourism Circuit with Cagayan de Oro City as the international gateway

The beaches in Camiguin and the mountains and wilderness of Northern Mindanao shall be the main attractions of this circuit, while Cagayan de Oro City’s bustling trade, business and industrial markets shall form part of this circuit’s business theme;

Davao Region Tourism Circuit, built around the international gateway in Davao City

Mt. Apo, Mt. Hamiguitan, and the Island Garden City of Samal shall be this circuit’s central nature themes and the primary resort destinations. The medical, education and ICT facilities, agriculture and mining shall be this circuit’s business themes;

SOCCSKSARGEN Tourism Circuit composed of South and North Cotabato, Sarangani and General Santos City

Mt. Apo, which SOCCSKSARGEN shares with Davao Region, and Lake Sebu shall be the main focus of the region’s nature theme. Agriculture, and the tuna and mining industries shall be this circuit’s business themes; and

CARAGA Tourism Circuit with Butuan City as the gateway

Surfing in the beaches in the islands of Surigao del Norte and the lush forestlands of the region, one of the remaining vast stretches in the country, shall be this circuit’s nature theme. Forestry and mining shall be its business themes.

Minerals Development

Minerals development shall be pursued within the social responsibility and transparency framework. The general objectives of this sector shall be effectively communicated to its stakeholders to mitigate social risks and to resolve the long-standing issues of environmental degradation and social ills associated with the mining industry. The Mindanao Action Agenda on minerals development, formulated by Mindanao mining stakeholders in 2008, shall be implemented to address various issues. These issues include the simplification of procedures in the acquisition of mining agreements and exploration permits, as well as exercising responsibility in undertaking mining projects.

Energy Security

Demand for power in Mindanao has been steadily increasing at an average of 4.4 percent yearly. The existing dependable capacity of Mindanao is 1,525 megawatts (MW). It needs between 200 to 300 MW of additional power supply every three years to meet the growing demand and support the attainment of its economic targets. In 2009, the peak demand equaled Mindanao's dependable capacity of power supply. The reserve capacity is expected to fall to 7.5 percent or 84 MW short of 212 MW for the 2011 requirement including a 13 percent reserve level (DOE, 2009).

Based on DOE, there are still a number of barangays in Mindanao without electricity, specifically in Maguindanao (12 barangays), Lanao del Sur (7 barangays) and Lanao del Norte (4 barangays). Mindanao's rural electrification shall be intensified to equal other regions in Luzon and the Visayas. This will involve speeding up the government's barangay electrification program in the ARMM and achieving a 100 percent barangay electrification level in all Mindanao regions.

Mindanao is projected to have lower rainfall in the coming years due to climate change. This will eventually reduce water levels, which

in turn will affect the hydro-power sources where Mindanao is largely dependent on. Without effective interventions, the risk of compromising the economic gains in the next 10 years is high given the forecast demand. Thus, energy security will be ensured through the following strategies:

Accelerate exploration and development of renewable energy sources in Mindanao

In line with Republic Act (RA) 9513 or the Renewable Energy Act of 2008, Mindanao shall tap its renewable energy sources, such as geothermal, hydro, biomass, ocean, wind and solar energy by actively pursuing private investments for their development. RA 9513 was promulgated to accelerate the exploration and development of renewable energy resources to achieve energy self-reliance. Under the said Act, reduction of harmful emissions and increasing utilization of renewable energy are provided by institutionalizing the development of national and local capabilities in the use of renewable energy systems. The efficient and cost-effective commercial application shall be applied by providing fiscal and nonfiscal incentives, and establishing the necessary infrastructure and mechanisms to carry out the provisions of the Act.

Furthermore, the development and exploration of local energy sources will involve addressing environmental and social acceptability issues. It will involve harmonizing the provisions of environmental laws and indigenous people's rights laws, e.g., NIPAS Act and IPRA, to respond to environmental and sociocultural concerns of energy development. In this regard, information, education and communication (IEC) campaigns on the energy programs related to environmental issues shall be undertaken to increase the social acceptability of energy projects.

Intensify development and utilization of renewable, environment-friendly and clean alternative energy sources and technologies

The potential benefits of renewable energy shall be recognized by increasing market awareness of alternative energy projects, its environmental benefits, potential contribution to energy security and rural development. The option to beef up energy capacity through nuclear power sources shall also be explored. Nuclear energy is widely considered to be cheaper, more reliable and cleaner than fossil fuels. General Santos City was initially identified as potential site for the development of nuclear power.

Improve transmission and distribution systems

To improve the transmission and distribution systems, monitoring the efficiency and performance of electric transmission and distribution utilities will be stepped up. Maintaining a competitive investment climate involving transmission and distribution projects shall be promoted.

Enhance energy efficiency and conservation

Energy efficiency and conservation will involve advocating for the passage of related laws, including the Energy Efficiency and Conservation Bill and encouraging LGUs to undertake energy conservation programs by promulgating this law through the issuance of local ordinances.



Institute enabling regulatory framework to promote sustainable use of resources

Increased investments, more efficient agricultural production and processing, sustainable minerals development, and inclusive growth, among others, shall be achieved through policies, laws, rules, regulations and measures that encourage investments and protect the environment and ensure participation of local communities in development. Particularly, the following strategies shall be actively pursued:

- *Formulate and implement regulations or measures for the conservation of natural resources.* This will ensure sustainable use of renewable resources including forest and minimizing the depletion of non-renewable ones including minerals. The participation of local communities in this regard, shall be of utmost importance as this would necessitate changing attitudes and practices in the use of resources;
- *Rehabilitate and protect the watershed areas.* Enforce the laws related to the rehabilitation of watersheds as provided for under RA 9136 or the EPIRA Law. Monitoring of watershed rehabilitation efforts and management activities shall be increased. An Integrated Water Resource Management approach shall be adopted to ensure sustainable water management of the river basins. This will entail the formulation of master plans for these river basins and tapping of existing institutions that will monitor/regulate river basin management;
- *Optimize the use of resources while achieving profitability through technology.* While multicropping has been advocated many times over, this approach to agricultural production has not been fully pursued by Mindanao farmers. Adequate technical and extension support, as well as viable markets and distribution channels for multicrops, have to be provided to ensure a broader adoption of this agricultural production technology. Technical support should offer farmers options to increase production but with minimal negative environmental effects, particularly in agricultural areas planted to export crops;

- *Strengthen quality control mechanisms of the government, particularly for agricultural and fishery products to meet international standards.* Internationally accepted grading standards shall be developed and promoted, particularly for fruits, vegetables, cutflowers, fishery, livestock and poultry products and exploit the economies of scale in product marketing. Bigger firms shall be encouraged to provide support to small firms and cooperatives in the areas of packaging and marketing services;
- *Promote and support the Coral Triangle Initiative (CTI) agreements among the governments of Indonesia, Malaysia, Papua New Guinea, Solomon Islands, Timor-Leste, Fiji and the Philippines.* The Coral Triangle is the global center of marine biodiversity and one of the world's top priorities for marine conservation. It spans Eastern Indonesia, parts of Malaysia, the Philippines, Papua New Guinea, Timor-Leste, Fiji and the Solomon Islands. The designation and establishment of "priority seascape" marine reserves; legislation

and planning to curb overfishing and protect threatened species shall be pursued under this initiative; and

- *Intensify stronger advocacy and awareness on biodiversity conservation and protection particularly on their critical role in providing products and services essential to human welfare and serving as indicators of environmental health.*

The development of resource-based industries shall be accompanied with natural resource management programs to institutionalize environmental protection and conservation particularly the resources that have global significance and the indicators of environmental health such as presence of dugong, manta ray, giant clams, sea grasses, mangroves, and indigenous forest resources. Conservation awareness among resource users and advocacy of related policies like the National Integrated Protected Area System (NIPAS) or RA 7586, Wildlife Act and Fisheries Act, shall ensure the protection of environment and sustainability of ecosystem.

Growth with Social Equity

The challenge of ensuring that growth would translate into improved wellbeing of the people entails the distribution of economic gains to people who may not easily be able to cope with their basic needs. This will require strategies for providing services and employment to help these segments of the population meet their needs and be more productive members of society.

Basic Services Provision

In the next 10 years, focus shall be directed at strengthening the provision of basic services, particularly among the poor areas in Mindanao. The strategies shall include improvement of access to education while preserving culture and faith, health services, water and sanitation, and improving levels of nutrition and access to housing.

Strengthening provision of basic services and access to employment shall be directed to the poor to improve their productivity and achieve better standard of living for all.

Improving access to education while preserving culture and faith

The focus shall be on areas with very high illiteracy levels and very low participation rates such as ARMM and parts of Zamboanga Peninsula and CARAGA Region. The *madaris*, known as the oldest educational system in Mindanao and recognized to be the single, most important factor in the preservation of the Islamic faith and culture, shall be supported. To draw the indigenous peoples into the mainstream, indigenous learning systems that are culturally-sensitive shall be advanced in coordination with the government, the academe and the LGUs.

To increase the population's access to better employment opportunities, completion of high school education shall be made nonnegotiable. Greater investments shall then be directed at secondary education, particularly in the rural areas.

Promoting technical/vocational education

To promote access to education and literacy, a closer look at alternative and short-term interventions shall be considered. For instance, technical and vocational (tech/voc) education through the government-mandated agencies shall be vigorously pursued given its short-term requirements and long-term effects. Tech/voc education helps provide people with stable sources of income, and is responsive to the skills demanded by the labor market.

Stronger LGU support for community health and nutrition

LGU provision of health and nutrition services must be intensified. LGUs shall be encouraged to increase their resource allocation on improving the health personnel-to-population ratio and quality of health services as well as access to health insurance. In particular, reduction of infant and maternal deaths shall be reduced through the provision of qualified health personnel and quality health services. The proposal should be parallel with a strong referral system and broader access to hospital care. The establishment of Botika ng Barangay shall be vigorously pursued by the LGUs.

Nutrition services both for the mainstream population and internally displaced persons or IDPs shall be prioritized. Catch-up efforts to reduce malnutrition rate shall be sustained through culturally-sensitive nutrition programs. Education and communication campaigns at the community level shall focus reducing malnutrition while limiting the usual strategy of constant government dole-outs through its feeding program. In addition, gains in the improvement of access to safe water supply and sanitary facilities shall be sustained and led by the LGUs. Hunger mitigation interventions



shall likewise continue to be pursued for the whole Mindanao, focusing on the priority provinces. As of 2006, seven of the 10 worst food-poor provinces, which are given priority, are from Mindanao. These are Agusan del Sur, Lanao del Norte, Maguindanao, Sarangani, Surigao del Norte, Zamboanga del Norte, and Zamboanga Sibugay.

Improving Access to Housing

Improved access to housing will be achieved through the provision by government of a long-term mortgage shelter finance program that features cost recovery and cross subsidy mechanisms. Self-financing/cooperative schemes for land acquisition and housing shall be developed. The design of assistance packages shall be affordable to homeless population, without prejudice to the sustainability of housing finance. With regard to the informal settlers, the national government in coordination with the LGUs shall provide lands for resettlement sites for those occupying priority infrastructure projects and danger zones.

Employment Generation

Efforts on employment generation in the next ten years shall be directed at developing the industry sector, including manufacturing and processing industries, promotion of entrepreneurial and business opportunities, and human resource development.

Agri-industrialization in the countryside

Industries provide various forms of employment. Mindanao shall seriously redirect its strategy from merely exporting raw materials to processing and manufacturing to create more and stable jobs and business opportunities.

Market information on high-demand products such as banana, coconut, cacao, mango, seaweeds, livestock, fishing and poultry shall be made available to communities through aggressive information and dissemination programs. This will allow them to participate more actively in the market. To support this effort, the government shall strengthen the telecommunications highway and infrastructure support.

Corporate farming, which is suited to the orientation of local communities including ex-combatants, indigenous peoples and Moro communities, shall be pursued with more aggressive technical assistance from the non-government organizations and LGUs and credit support from the government.

Mindanao shall participate in the global Halal food and non-food trade to expand its market opportunities. Mindanao shall maximize its participation in this market by developing Halal-certified products ranging from vegetables, fruits, livestock, grains, poultry, fishing and forestry both in their raw and processed forms. The communities can participate in these opportunities through contract growing and through micro and small industries. In this regard, technical services and credit support from the government shall be increased and made more accessible to communities that will pursue this undertaking.

To support the growth of Halal-based industries, the technology for ensuring safety and quality shall be made available and the establishment of laboratories to support issuance of Halal certification must be pursued by the government. Upstream and downstream industries, like storage and transportation services, should then be anticipated to support the growth of this industry.

The pursuit of more stable employment and the widening of employment opportunities will hasten economic integration and will lead to a long-term solution to the armed conflict situation in Mindanao.

“One Town, One Product”

Generation of stable employment shall be pursued through the creation of enterprises and businesses in rural communities. One strategy in this regard is the development of products that are community-based and use indigenous raw materials. Through the One Town, One Product (OTOP) strategy, poverty has been alleviated in many communities in the country.

In this regard, the key potential products shall be identified for each community and the necessary technical, financial and marketing support shall be extended by the government in order to develop the products. Mindanao shall explore its local talent for arts, crafts and furniture that depict its culture and faith in these products as well as processed foods and beverages. Under this strategy, the indigenous communities and ex-combatants are assisted in terms of employment, without them leaving their homes and families.

The development of micro, small and medium enterprises shall be key in generating more employment in OTOP areas while ensuring that the local economy is growing and benefiting the poor population.

Industry clustering

Industry clustering shall be continually pursued with the objective of strengthening the synergy among collaborating, cooperating and interdependent industries and businesses in Mindanao. This strategy focuses on improving business prospects of individual and group enterprises through joint undertakings in various programs and financial assistance extended at various levels of government that would otherwise produce marginal results if undertaken individually.

Under this strategy, priority products are identified and given preference in assistance and support to allow them to expand its export base and increase export market potentials. Priority products include coconut, rubber, seaweeds, fruits, oil palm, forestry and marine-based products. Assistance under this strategy shall include capacity building of institutions involved in the development of priority industries, linking potential buyers and investors, and extending technological and financial assistance.

Employment in the mining industry shall also be made more sustainable with the active intervention of the government. In particular, government shall help raise the consciousness of mining firms regarding the exercise of safety standards in mining tunnels and mineral processing areas, and in exercising corporate social responsibility in areas affected by mining activities. The streamlining of exploration permits shall be prioritized to enable mining industries to take off and improve its share in Mindanao's total output.

Another employment generator and growth driver for Mindanao is the growing ICT industry. Having vast tracts of land, a generally typhoon-free climate, lower cost of living compared to Luzon, and relatively high availability of telecommunications and power facilities, Mindanao shall venture into positioning itself as the BPO Hub in the South. As of 2010, Mindanao has a total of nine IT parks; four are existing and five are being developed. Efforts at promoting these IT parks have been increasing alongside the demands for BPO-

and ICT-related services. The establishment of other IT parks in Zamboanga Peninsula, Northern Mindanao and SOCCSKSARGEN, shall also be undertaken. LGUs in these areas shall be encouraged to allocate the required business lands and appropriate the required telecommunications and electricity requirements to make their IT areas suitable for PEZA registration. The potential labor force shall also be prepared in terms of communication skills to increase their capacities in meeting the demand required for IT-related jobs.

Job fitting

One important strategy for improving employment prospects is by matching the academic and skills preparation of the people to the manpower requirements of industries. This will be addressed by looking at the demand (industries) and supply (academe) side of job fitting. At the demand side, the skills requirements shall be assessed by being keen on the directions of economic growth. Forecasting the job requirements will be based on the growth of the economy's subsectors and advocating the required skills through the line agencies. The LGUs will in turn prompt the academe on the appropriate curriculum that they will offer with support coming from the private sector. The graduates they produce would then match what the local economy requires.

Building internationally-competitive human resources

Mindanao's economic future will demand that it broadens its competitive advantages to a large segment of comparatively better educated and English speaking workforce. Improvement of the quality of trained people across many job areas shall be assured, while constantly deepening the knowledge-base and technical skills that shall be at par with global standards.

The education system shall provide equal opportunities to people of all ethnic and cultural backgrounds. It will produce graduates who are functionally literate; proficient and confident in the English language; technically-skilled in

information technologies and endowed with a Filipino sense of global world view.

Meeting these demands requires workers to be competitive. Modernization of schools will thus be widely promoted to ensure, among others, that computerization is institutionalized both in public and private schools. The Department of Education's institutionalization of E-skwela shall be vigorously pursued at all levels of education, including the out-of-school youth who want to pursue tertiary education after passing the online comprehensive examinations.

The Technical Education and Skills Development Authority (TESDA) shall step up efforts to ensure that government education and skills development programs are accessible and meet minimum industry quality standards. This shall be undertaken within the Unified Technical and Vocational Education and Training (TVET) Program Registration and Accreditation System, that ensures that training programs conducted by training institutions undergo quality assurance and compliance with minimum requirements. The availability of tech/voc education shall be provided both by the government and the private sector to widen the beneficiaries' opportunities to avail of its programs.

Efficient Logistics Support

Logistics support shall be made more efficient by improving the tri-modal transportation system and telecommunications facilities, ensuring energy security and increasing share from the national budget allocation. This approach will strengthen connectivity and complementation among urban centers and rural areas, with the latter benefitting the most from the increase in market demand as economic activities and service functions are effectively linked.

Mindanao's external connectivity shall be improved by opening potential gateways and upgrading existing ones. This will allow Mindanao to cross interregional and national boundaries that will increase the inflow of development opportunities in the area.

The cities of Davao, General Santos, Cotabato, Zamboanga, and Cagayan de Oro shall continue to serve as the network of primary growth centers in the next decade. Iligan City shall be developed from secondary to primary growth center. Cagayan de Oro City shall also function as a major primary growth center in Mindanao in addition to Davao City. The cities of Koronadal, Pagadian, Butuan and Surigao shall remain as the network of secondary growth centers. These areas are more linked with the primary growth centers and the rural areas, thus allowing for more integrated urban areas and dispersed economic activities (Figure 3).

Transportation and communication facilities shall be improved to strengthen physical and economic linkages among growth centers and rural areas.

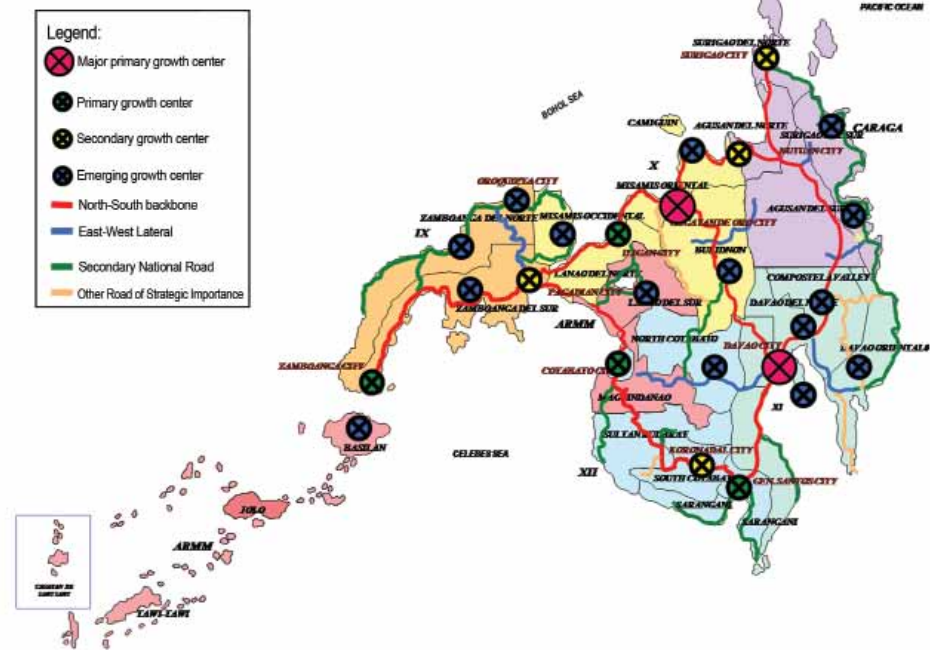
This strategy will allow the local comparative advantages to be maximized, aside from promoting interregional competition that will bring about more efficient use of local resources. This should enable the network of urban centers to become more cohesive and allow the secondary urban centers to assume bigger market and service functions.

Greater connectivity between rural areas and urban areas shall be pursued to improve their complementary relationship. The rural areas will benefit from dispersed development through the potential increase in the demand for agricultural products and off-farm employment opportunities that will eventually improve incomes of the rural population.

Initiatives on the transportation industry in Mindanao may include reforms that seek to strengthen institutions involving streamlining of procedures, offering incentives and penalty systems including improvements of the legal and regulatory framework toward promoting

efficiency, and leveling the playing field for fair competition in the delivery of transport services. With regard to the high shipping cost, the shipping industry's regulatory environment shall be revisited to lower the cost and make the shipping industry more competitive. To ensure impartiality and efficiency in government processes, the separation of operation and regulatory functions of transport institutions shall be continued. In recognition of the impacts of climate change and disasters in infrastructure, these concepts will be considered in the transport policy framework.

Figure 4. Mindanao's Network of Growth Centers, 2020



A competitive policy environment shall be promoted to encourage private sector participation and public-private partnership in the delivery of transport services, taking into account the appropriate tariff levels, risk-

sharing and assuring return on investments. The peace situation should be addressed to assure stability of the investment climate and restore private sector confidence.

Improving the Network of the Intermodal Transport System

Internal connectivity

To facilitate greater connectivity among the Mindanao regions, the establishment of the Mindanao Railway System shall be pursued to support the anticipated increase in the volume of passenger and cargo traffic. The railway system is expected to be a more efficient, reliable and affordable mode of transport. It will boost the tourism industry and the overall economic development of Mindanao. The railroad will connect the growth centers of Davao, General Santos, Iligan, Cagayan de Oro, Butuan, Zamboanga, Cotabato, Marawi, Pagadian and Dipolog.

The railway system shall be complemented with the improvement of roads connecting the regions. CARAGA Region shall be accessed

from Davao Region with the proposed Surigao-Agusan-Compostela Valley Road. This route will benefit the agricultural areas and the high-interest mining areas along Eastern and Southeastern Mindanao. This connection is expected to bring down the high incidence of poverty in Surigao del Sur, Agusan del Norte, Butuan City, parts of Agusan del Sur, Davao Oriental, Compostela Valley and Davao del Norte.

From Davao Region, Northern Mindanao shall be connected by the proposed Bukidnon-Davao del Norte Road and Misamis Oriental-Bukidnon-Davao City Road covering the Northern-Southern Mindanao Logistics Highway. These initiatives shall promote the development of the agricultural areas, open up more opportunities and spur more aggressive economic activities along these routes.

ARMM's connectivity to other regions shall be improved with the proposed Dipolog-Oroquieta Road leading to the Zamboanga Peninsula, which links the ARMM provinces of Basilan, Sulu and Tawi-tawi to the rest of the country. The road will also open more opportunities for the high-impact mining areas in the Zamboanga Peninsula.

External connectivity

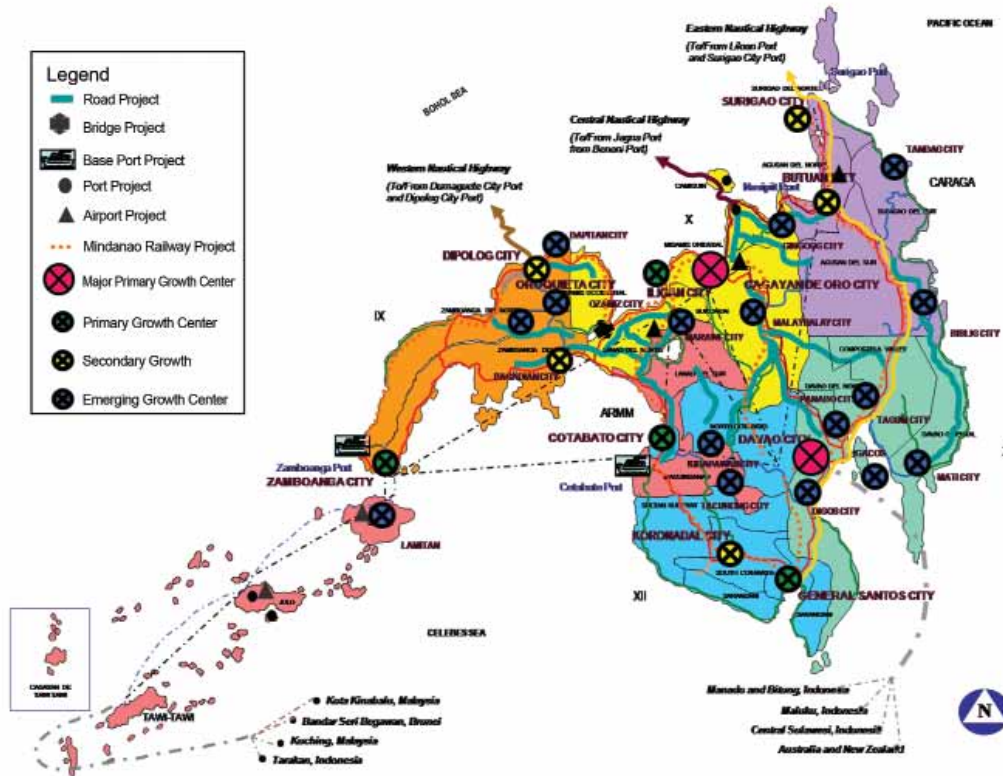
Mindanao's external connectivity shall be further enhanced by pursuing the improvement of the existing nautical routes and improving some airports that connect Luzon, the Visayas and the rest of the world to Mindanao. The nautical routes shall improve Mindanao's access through the Visayas via the eastern, central and western coastlines making use of the RORO facilities. The improvement of key airports shall enhance Mindanao's links to the rest of the country and to the world.

From the eastern coastline, access from the CARAGA Region shall comprise the

improvement of the RORO links of Surigao City and Southern Leyte ports. The RORO connects the eastern side of Mindanao with the rest of the country via the Visayas. CARAGA's air links shall be provided by the improvement of Butuan airport.

From the western coastline, the existing Iligan City-Dapitan City route connecting Mindanao to Luzon through the Visayas shall be expanded to cover Zamboanga-(Siasi, Bongao-Maluso) Jolo RORO link as a missionary route. The proposed improvement of the Bongao (Jolo) Airport and the ongoing improvement of the Awang Airport will serve Sulu Archipelago, Zamboanga Peninsula and Central Mindanao while serving as gateways to the Asia Pacific region. Supports in Tawi-Tawi shall also be improved to connect the island with Jolo, Basilan, Zamboanga City and Maguindanao. These improvements will complete the Western Nautical Highway route benefiting Zamboanga Peninsula, Lanao del Sur and the islands of Jolo, Sulu, Tawi-Tawi, and Basilan.

Figure 5. Ongoing and proposed transport projects, Mindanao, 2010-2020



The Central part of Mindanao shall be connected to the Visayas with the expansion of an alternative route traversing the Visayas to Dumaguete City and Dapitan City. It will complement the proposed improvements in Benoni port (Mambajao) and Balingoan (Misamis Oriental) RORO route. The upgrading of the Laguindingan airport to international standards increases this region's potentials to reach Mindanao's external markets, both domestic and foreign, in shorter time.

Upgrading the airports to meet international standards shall boost Mindanao's capacity to reach and serve foreign markets. It shall meet the island's required logistics support for the growing number of business hubs, and shall complement its market expansion on Halal industry and agri-business to Muslim countries

and others such as Australia, New Zealand, Europe, Japan, China, and Russia.

The Davao International Airport currently serves as Mindanao's gateway to Asia covering regular flights to Singapore, Indonesia and Hongkong. It has the potential to expand its air services to Australia and New Zealand. The Zamboanga International Airport complements the air services of Jolo airport and can expand its current domestic flights to serve the air and cargo traffic requirements of Asian countries, such as Malaysia, Indonesia and Brunei. The upgrading of the Laguindingan Airport will boost the air services for goods and cargo traffic going to Russia and China, making Cagayan de Oro another gateway of Mindanao to other countries.

Strengthening Linkages Through ICT



The deregulation of the telecommunications industry has benefited the economy and the population in general. In Mindanao, it has improved connectivity between rural and urban areas and even between the mainland and island-provinces. The proliferation of internet cafés made it possible for the rural population to be globally connected and empowered as information became

more available. It contributed to job generation efforts through the operation of internet cafés, online jobs, and online job hunting; and elevated the level of education through online distance education. ICT has also improved market connections among the production areas within the island and with the island's export markets.

The telecommunications infrastructure highway will thus be strengthened by improving the regulatory framework toward promoting efficiency and leveling the playing field to ensure fair competition in the delivery of telecommunications services in Mindanao. Reforms to streamline procedures and incentives shall be introduced and promoted among the LGUs. The LGUs can offer incentives, enter into joint venture agreements and/or undertake public-private partnerships that will be mutually beneficial for the public and private sectors.

Information and communication technology (ICT) resources shall be utilized to hasten economic development. ICT resources shall be utilized to:

- Facilitate data banking, knowledge sharing and technology transfer across sectors;
- Promote e-commerce to facilitate trade and investments; and
- Provide affordable communication links for the rural and global Filipino communities.

Peace Building

Ensuring peace in Mindanao shall involve specific strategies that address armed conflict and, at the same time, promote human security. To this end, the peace building framework shall center on: (a) improving governance for peace; and (b) promoting inclusive peace. These two strategies shall be pursued as socioeconomic interventions that will ensure access to basic services and means of livelihood of those affected by the conflict are implemented.

Improving Governance for Peace

Improving governance for peace in Mindanao shall be achieved through broadening of peace networks and constituencies. Representations from all stakeholders, i.e., government, civil societies, and citizens shall participate in policy formulation as well as in the design, implementation and monitoring of community-based peace and development programs particularly in conflict-affected and vulnerable areas.

The involvement of the civil society and citizens in peace governance efforts shall be aggressively encouraged to promote transparency and accountability. Capacity building on development planning, plan implementation and monitoring, and evaluation of programs and projects shall likewise be intensified to make the



Improving governance for peace in Mindanao shall be achieved through broadening of peace networks and constituencies.

institutions and stakeholders effective partners in the implementation of development projects and advocacy efforts. Monitoring structures and mechanisms shall be strengthened and institutionalized through the installation of the information support system for peace and development.

Promoting Inclusive Peace

Initiatives on the peace process shall continue to be implemented. Strategies on this shall be in the context of an inclusive peace process which involves multilevel and multistakeholder participation both in policy making and implementation. This will ensure that policies are bias-free and peace building programs cater to the needs of the Mindanao people.

For broader participation, there should be equal opportunities for all individuals in terms of access to resources and market. Thus, addressing the needs of the least-developed communities and marginalized groups (children, women, youth, disabled) shall be given priority. Policies and programs shall focus on improving access to basic services like education, health and housing; protection during armed conflicts; and elimination of all forms of discrimination.

Social protection programs to be implemented shall include allocation of funds for the membership of the indigents, e.g., tribal communities, IDPs and ex-combatants to the sponsored program of PhilHealth. Support mechanisms such as access to micro finance services and skills development for the poor and the vulnerable sectors shall also be promoted.

Good Governance and Strong Partnerships

Good governance shall be pursued, focusing on greater transparency and accountability of local government units and public officials particularly in delivery of basic services and building economic base for their territorial jurisdiction. Government partnership with the private sector in regional development shall be pursued.

Pursue Greater Transparency and Accountability

Greater transparency and accountability shall be pursued through effective monitoring of national- and foreign-funded programs and projects to increase the confidence of partner donor organizations, the private sector and the general public in Mindanao.

The use of digital governance shall be one of the primary vehicles for curtailing graft and corruption. Online facility in the conduct of business transactions and registration, procurement and marketing shall be vigorously promoted among the national government agencies and the local government units to shorten transaction time, bring down the cost of doing business, and provide feedback mechanisms. These will allow greater private sector participation in the development and decision-making processes of the government. Best practices shall be documented and models of good governance shall be advocated to encourage followers and minimize bad governance.

Transparency and accountability shall also be reinforced by utilizing revenue-generation and related systems provided by the government to streamline revenue-generation efforts that will standardize the cost of doing business among LGUs. Using these systems will improve the operations of the local bureaucracy and promote foresight and innovativeness in fiscal governance.

The formulation of local development plans (LDPs) as an instrument for increasing transparency and greater accountability is

Partnership with the private sector in the provision of basic services and infrastructure investments shall be strengthened.

mandated in the Local Government Code. The LDPs provide the directions for economic and social development of a locality, and the LGUs are accountable to provide to the extent possible, adequate basic services to their constituents and advance their respective localities' interests.

The provisions under the Anti-Red Tape Act (ARTA) shall be pursued in collaboration with the Civil Service Commission. All regional offices and local government shall adhere to this Act, as this is one of the most important mechanisms in improving governance at all levels.

Optimize Revenue-Raising Powers

The Local Government Code of 1991 embodies the decentralization policy of the country that should be aggressively pursued to achieve genuine empowerment for local governments.

Given their fiscal autonomy, local governments shall optimize their revenue-raising powers to increase local sources not only through traditional tax revenues but more in non-tax revenue generating activities. LGUs shall be weaned from over-reliance with IRA as this runs counter to the objective of decentralization. On top of these, LGUs shall continue to promote SMEs and broaden the access of organized communities to microfinance, especially for economic enterprises. Local governments shall continue to promote alternative funding facilities including the BOT schemes and its variants for its own projects and among private investors. The provision of facilitating mechanisms, such as better and appealing incentives for infrastructure investments, will encourage the private sector to embark into these forms of financing schemes.

Strengthen Government Partnership with the Private Sector

Public-private partnership (PPP) should be promoted in investments in public transportation, telecommunications, power, and other local services. Government shall facilitate project development and implementation.

Partnerships with the private sector including civil society organizations in the provision of basic services shall likewise be strengthened. A successful example related to this strategy is the Adopt-a-School program which has made a big impact in improving the conditions of public schools. Initiatives of the private sector to provide health and nutrition services shall be encouraged and sustained to generate more resources and boost support for government efforts. Private sector participation in the provision of low cost housing for the poor as well as community-based housing and site development activities shall be encouraged.

Private sector participation in governance shall be fostered through their involvement in the local government councils. Towards this end, the selection process shall be enhanced to allow for wider participation of business, the NGOs, civil society organizations and religious leaders particularly in the advocacy of peace and development. The academe and the private businesses can take advantage of each other's resources, with the former providing research expertise and the latter, funding support.

Advocate Increase of Mindanao's Share from the National Budget

In the perspective of improving Mindanao's share to the national budget, it shall continually advocate for the review of the regional allocations of national line agencies reflected in the General Appropriations Act (GAA). The disparities observed in the allocation of the

national budget among regions do not take into account the levels of poverty, HDI and scarcity of resources. Advocacy shall then involve the inclusion of these parameters in determining the share of regional allocation from the national budget.

Advocacies on the use of Official Development Assistance (ODA) shall be directed at upholding its intended use under the ODA Act of 1996 particularly the achievement of equitable growth and development and the preference for rural infrastructure and countryside development.

Develop Disaster-resilient Communities

Reducing disaster risks and enhancing capacities for climate change adaptation

Mindanao is blessed with good climate and even distribution of rainfall. Recently however, the rising incidence of flood has been noted in urban areas. Being located in the eastern seaboard, certain areas of CARAGA are prone to flooding and landslides. Areas of Central Mindanao are prone to flooding and earthquake hazards. Populations in the mining areas of Davao region are also vulnerable to man-made disasters like rock falls and cave-ins. To help make communities become more resilient, disaster risk reduction (DRR) measures shall be undertaken through the upgrading of institutional capacities for DRR and climate change adaptation (CCA).

Mainstreaming of DRR/CCA in subnational land use and physical planning

Identification of communities and assessing their vulnerabilities to the occurrence of any hazard event and the identification of appropriate mitigation and adaptation strategies shall be undertaken and integrated in the regional and subregional plans.

Concluding Statement

The vision of a peaceful and socially-inclusive Mindanao with a strong, sustainable, competitive, ICT-driven, agri-industrial, resource-based economy that is responsive to local and global opportunities implies substantial work for all who have a stake in Mindanao. The Framework, particularly its five development themes, provides the general approaches or strategies that Mindanao could undertake in anticipation of the global rebound.

The Medium-Term Regional Development Plans of Mindanao will spell out the specific strategies, programs and activities in support of the development themes raised by the Framework. The integration of the Framework into the Medium-Term Philippine Development Plan, 2011-2016, will reflect its conformity with national development goals and objectives and further emphasize Mindanao's vital contribution to the country's overall growth.

It is important for the National Government to be able to come up with a purposive and definitive policy and action plan for Mindanao.

As mentioned by the Framework, this policy and action plan should include: (a) the pursuit of the Peace Process based on honest dialogue among all the stakeholders; (b) the focused interventions to address the needs of the most vulnerable and marginalized sectors in the island; and (c) ensuring environmental sustainability. To strengthen regional and national integration and cohesiveness, Mindanao's provinces, cities and municipalities also need to be linked together and with the rest of the country as they prepare their development plans, investment programs and annual budgets.

The participation of the private sector is equally crucial for the attainment of the objectives of the Framework. Specifically, the Framework prescribes an environment that invites private capital to contribute substantially to Mindanao's development and foster the entrenchment of a culture of peace.

And as envisioned, by the end of the decade, the people of Mindanao shall have reaped the gains of development and attained a better quality of life nurtured by lasting peace.

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For inquiries, please contact:

National Economic and Development Authority
Regional Office XI
Tel Nos. (+63 82) 296-0161 / 296-0162
Email: nedaxi_davao@yahoo.com

Regional Development Coordination Staff
National Economic and Development Authority
Tel Nos. (+63 2) 631-3743 / 638-9307
Email: rdcsmailbox@neda.gov.ph