



Linkage

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Cagayan Valley Region

towards

2015 ASEAN Integration

Shaping a Global Spectrum of
Opportunities in Agriculture,
Industry, and Tourism

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ABOUT THE COVER

This quarter's issue features the initiatives of the RDC 2 in gearing up the region in preparation for the 2015 ASEAN Economic Integration. This important event also guides the theme for the celebration of the RDC's 43rd founding anniversary in September.



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HOW THE ECONOMY FARED IN THE 3RD QUARTER



This year's third quarter showed indications of growth in the regional economy due to a strong macroeconomic performance, *i.e.* stable inflation rate at 1.5 percent and increased employment rate to 96.6 percent from last year's 96.0 percent.

Corn, one of the region's prime commodities, recorded a moderate increment of 5.5 percent which could be attributed to the substantial expansion of harvest areas in Isabela and Quirino brought about by the movement of harvest from fourth quarter to third quarter in these provinces.

Other crops likewise posted gains led by vegetable and root crops with 41.7 percent, followed by industrial and commercial crops with 5.2 percent, and fruits with 4.8 percent.

However, the 42.6 percent decline in palay production dampened the overall performance of the agriculture sector. Typhoon Ineng and El Nino, which further intensified in the third quarter, have influenced this production loss in palay. The intense heat resulted in the low water level in Magat Dam which then caused the delayed release of irrigation water.

Similarly, the fishery sector saw an output decline of 9.1 percent, ascribed to the closed season of acetes catching in

Aparri, Cagayan, low water levels in commercial bodies of water, and limited supply of fingerlings.

On the other hand, the Industry and Services sectors exhibited mixed performances during the period. Investments generated from DTI's Business Name Registration went down by 20.9 percent, following the huge investment recorded last year in Quirino.

Nonetheless, the number of firms registered still increased to 2,931 (from 2,496) indicative of the increased participation of the micro, small, and medium enterprises sector.

Construction projects also dropped by 12.2 percent to a total of 754 projects due to the slow down of construction activities during the rainy season.

Consequently, mineral and quarry production also dropped, ascribed to the reduced demand from construction. Indicators that showed positive performances were aircraft movement (5.7%), passenger movement (25.2%), cargo movement (31.8%), and credit availment (25.1%).

Crime situation also showed improvement as the number of crime incidence considerably declined to 3,618 from last year's 5,342.

| KARYLL GEM L. BAYUBAY, PFPD

MACROECONOMY

- ◆ Inflation rate at 1.5%
- ◆ Employment rate at 96.6%
- ◆ Unemployment rate at 3.4%
- ◆ Underemployment rate at 12.5%

AGRICULTURE AND FISHERY SECTORS

- ◆ Palay production down by 42.6%
- ◆ Corn production up by 5.5%
- ◆ Fruit production up by 4.8%
- ◆ Vegetable and root crop production up by 41.7%
- ◆ Non-food and industrial commercial crops production up by 5.2%
- ◆ Livestock production up by 0.4%
- ◆ Poultry production up by 2.3%
- ◆ Fishery production down by 9.1%
- ◆ Farm gate prices:
Dry palay - P17.32
Yellow corn - P11.49

INDUSTRY AND SERVICES SECTOR

- ◆ BNR investments down by 20.9%
- ◆ Aircraft movements up by 5.7%
- ◆ Tourist arrivals up by 22.7%
- ◆ Gross tourist receipts up by 10.4%
- ◆ Crime incidence down by 32.3%
- ◆ New construction projects down by 12.2%

Figures are based on year-on-year comparison between the third quarters of 2014 and 2015.

RDC, RPOC support PPP Code and Health Zones in LGUs

During their third quarter joint meeting, the Regional Development Council (RDC) 2 and the Regional Peace and Order Council (RPOC) 2 expressed their support for local government units to adopt a Public-Private-Partnership (PPP) Code and to join Inter-Local Health Zones (ILHZs).

Through a joint resolution, the RDC 2 and the RPOC 2 enjoined all LGUs of Region 2 to follow the good example set by Cauayan City, which is the first local government in the region to adopt a PPP Code.

During his presentation of the initiative, Cauayan City Mayor Bernard Faustino M. Dy, who sits as chairperson of the RDC 2-Committee on Development Administration and Communication (CODAC), said that the PPP Code entices the business sector to be involved in the implementation of development projects in the locality.

“The Cauayan City local government recognizes the role of the private sector in accelerating infrastructure development and economic growth,” said Mayor Dy.

The CODAC Chair added that the PPP Code of Cauayan City contains specific guidelines and procedures for selecting private sector proponents.

“Through this PPP Code, the LGU has successfully established projects such as the Hacienda San Luis and the rehabilitation of the

public market,” Mayor Dy stated.

“There are other projects that are in the pipeline such as the establishment of a slaughterhouse, entertainment area, and water treatment plant, as well as the outsourcing for garbage collection and security details,” he added.

Meanwhile, Mayor Dy reported on yet another proposal that enjoins all LGUs in Region 2 to join ILHZs set up all over the country.

He said that doing so will help the LGUs better protect the public and improve the collective health of the

community by assuring access to a range of health services.

“More importantly, working with other LGUs will help them manage their limited resources on health more efficiently and equitably,” the Mayor added.

Existing ILHZs in the country must strengthen their operations and sustain their functionality. A functional ILHZ should be one that provides health benefits to its individual residents and to the population of the zone it is part of.

Both proposals were endorsed by the RDC 2 and the RPOC 2 given their importance and impact to the LGUs and to the health of the community. | **AYLASAM, DRD**

RDC revives R&D Committee

The Regional Research and Development Committee (RRDC) has once again been reconstituted as a functional support committee of the RDC 2.

Through a joint resolution, the RDC 2 and the RPOC 2 approved the forming of the RRDC, which will serve as the coordinative and consultative body for the dissemination and utilization, coordination and linking, capability building, fund sourcing, and monitoring and evaluation of the Regional Research and Development Agenda for 2016-2022.

This move resulted from the creation of the Philippine Statistics Authority's Regional Statistics Committee (RSC), which shared similar functions with

the Regional Research and Statistics Committee (RRSC) of the RDC 2.

For its part, the RRSC was formed in June 2013 when the RRDC was merged with the Regional Statistical Coordination Committee with the aim of harmonizing research and statistics to improve the RDC's efficiency in performing its operations.

RSC Chairperson Dir. MaryAnne ER. Darauay said that with the launch of the RSC in August 2015, there is a need to strengthen the R&D function of the Council, hence the reconstitution of the RRDC.

The DOST, headed by OIC-Regional Director Sancho A. Mabborang, sits as the Chair of the RRDC. ■



CODAC advocates bills on lower taxes and exemptions

For the third quarter of 2015, the Committee on Development Administration and Communication (CODAC) endorsed their support to two Senate Bills that aim to lower the level of net taxable income and to exempt start-up businesses from paying taxes.

During the joint meeting of the Regional Development Council (RDC) 2 and the Regional Peace and Order Council (RPOC) 2 in September, CODAC Chairperson and Cauayan City Mayor Bernard Faustino M. Dy reported that the Philippines has one of the highest tax rates compared to other member-countries of the ASEAN Region and that most of the tax burden falls on the working class.

To help wage and salary workers cope with the diminishing buying power of the peso brought about by inflation, as well as the increasing cost of living every year, Senate Bill No. 1942 was pushed to lower the level of net taxable income and tax rates on individual income tax.

Authored by Senator Paolo Benigno “Bam” Aquino IV, SB 1942 seeks to amend a section of the National Internal Revenue Code passed in

1997 so that lower taxes will be imposed on the Filipino working class, which comprises about 22 million of the nation’s population.

**“Although seen to
reduce revenue
collections, the proposed
tax reform will
increase disposable
income that will
eventually increase
collection from
consumption taxes,”
Mayor Dy said.**

Mayor Dy further said that when approved, the Bill will lead to the alignment of the new taxes with the prevailing range of tax rates in the ASEAN Region.

Also, the resolution called for the adjustment of income tax brackets and tax rates based on current prices and classification of income class.

Recognizing that the proposed tax reform will benefit workers not only in Region 2 but also nationwide, the RDC 2 and the RPOC 2 jointly

agreed to endorse the resolution supporting the lowering of income tax rates in all income classes.

Tax exemption for start-up businesses

The CODAC Chair also presented details of SB 2217 which seeks to exempt start-up businesses from paying taxes for the first two years of operation.

Start-up enterprises could be any newly-registered business engaged in industry, agribusiness, and/or services whether it is single proprietorship, partnership, as a cooperative, or as a corporation.

“This Senate Bill encourages newly-registered businesses to get organized and establish their operations and market base,” Mayor Dy stated. “However, to be covered by the Bill, they should be duly-registered and should not have any previous or other existing registered businesses.”

Again authored by Sen. Aquino, SB 2217 aims to foster inclusive growth by encouraging the creation of enterprises to facilitate job creation, innovation, and trade.

According to the latest data from the Philippine Statistics Authority, a total of 28,406 establishments are found in Region 2, which comprises 3.01% of the total 945,004 micro, small, and medium enterprises (MSMEs) in the country. MSMEs remain as critical drivers and potential sources of output of the country especially towards its transition to a more industrialized economy.

Hence, the proposal received a positive endorsement of support from the RDC 2 and the RPOC 2.
| AYLASAM, DRD



NEDA Assistant Director-General Dr. Rosemarie G. Edillon encouraged the region's local planners to give premium on improving the overall well-being of the region's populace in formulating the next development agenda.

PLANNING THE NEXT AGENDA FOR

Cagayan Valley Region

More investments to increase Agricultural productivity are encouraged in the Cagayan Valley Region to maximize its full potential in the sector where it is strongest.

According to NEDA Assistant Director-General for Policy and Planning Dr. Rosemarie G. Edillon, Region 2's biggest potential is in agriculture, which contributed about 2.2 percentage points to the overall Gross Regional Domestic Product (GRDP) growth of 6.4 percentage points for 2013-2014.

"The agriculture, fishery and forestry sector of Region 2 recovered from a slump as it grew to 5.7 percent in 2013-2014 from a mere 0.1 percent in 2012-2013," ADG Edillon said during the

4th Annual Planners Convention held on September 22, 2015 in Tuguegarao City.

"It is also important to note that for 2013-2014, there was a significant difference of 12.5% between the current (18.2%) and constant (5.7%) growth rates in this sector," she added. "This means that production in Region 2 was driven not by increased productivity but by the high farmgate prices of agricultural products."

ADG Edillon thus stressed that more investments in innovation and technology should be pushed for a more robust production in agriculture.

"This includes investments in durable equipment, farm

mechanization, and efficient irrigation systems," she emphasized. "Region 2 should also strengthen its intellectual property capital as it posted a negative growth rate in this sector, along with durable equipment capital, for 2014."

More investments towards inclusive growth

ADG Edillon reminded the regional planners who were in attendance for the annual convention to give a high regard on the improvement of the overall well-being of the region's populace in the crafting of the next development agenda for the Cagayan Valley Region.

"The main objective of the Philippine Development Plan is to reduce poverty in its multiple

dimensions and to create quality employment,” she stated. “Our goal is always to zero in on the human potential.”

She added that in order to have economic growth, investments are needed. “We need to invest more and more in human capacity and technology,” she averred.

“There are bright prospects of a good market demand for the agricultural products coming from Region 2, and that market demand should be brought to the consciousness of potential investors,” she affirmed.

ADG Edillon further posed a challenge for Region 2 given its very warm weather year-round.

“Cagayan Valley is known to be the hottest province in the country, so why not invest in solar energy production? There’s a good potential for solar plants here,” she posited.

Moreover, she said that more investments will translate to

more jobs. “With jobs, people will have purchasing power which will then feed growth and fuel market demand, among others,” she added.

The synergy of these concepts, coupled with a stable macro-economy and, most importantly, the improved competitiveness of the region’s human, infrastructure, and technology resources will define Cagayan Valley’s rapid and sustained economic growth.

ADG Edillon recommended that for the next planning period, the region’s planners should be guided by the 5 Ps of the Sustainable Development Goals Framework in forming its new development agenda.

“Focus more on human capital development for *People*, urban planning and strategic resource utilization for *Planet*, income diversification and investments for *Prosperity*, safety and security for *Peace*, and physical and virtual connectivity for *Partnership*,” she ended. | **AYLASAM, DRD**



ADG Edillon emphasized the huge potential of agricultural products coming from Region 2 to have a good market demand and, thus, encouraged the regional local planners of Cagayan Valley to focus more attention in attracting investments on agricultural production.

CV economy accelerates

The economy of Cagayan Valley Region has accelerated based on the 2013-2014 Economic Performance Report released by the Philippine Statistics Authority (PSA) in Region 2.

PSA Interim Regional Director Magdalena C. Bautista said that the service sector remains to be the main driver of the region’s economy with 48.6 percent, followed by the agriculture, forestry and fishery sector with 38.4 and the industry sector with the least share of 13.0 percent.

Dir. Bautista, however, emphasized that although the agriculture sector contributed slightly lesser to regional economic development, it has accelerated from 0.1 percent in 2013 to 5.7 percent in 2014.

In her discussion, NEDA Regional Director MaryAnne ER. Darauay said that the region, which is considered as an agricultural area, needs to strive harder to make its agricultural assets as the prime movers of the region’s economy.

“We are performing well in terms of agricultural production,” Dir. Darauay said. “In fact, we remain the number one corn producer and second largest rice producer. But we should also pay attention to our industries and to making ways in increasing investments in these productions.”

She explained that at the moment there are no big investors for agricultural processing in Region 2. “We hope to be like other regions who have plenty of agricultural production firms and processing plants that contribute much to their economy,” Dir. Darauay added.

“But we have our big firms in the region such as the grains center, a bio-diesel production company, and thermal energy production firms particularly in Isabela which are really helping boost our regional economy,” she opined. | **OTBACCAY, PIA REGION 2**

Region 2 planners briefed on 2015 ASEAN INTEGRATION

PHOTO CREDIT: <http://i11.picdn.net>

A total of 135 regional and local planners in the Cagayan Valley Region were briefed on the 2015 ASEAN Integration during the 4th Planners Convention conducted by the RDC 2 on September 22, 2015 in Tuguegarao City.

The technocrats were capacitated on the concepts of the integration particularly on its envisioned economic community, its three pillars, and the instruments and commitments of the Philippines towards the realization of an ASEAN Community.

The presentation was led by the nation's expert in international trade and a former member of the ASEAN Secretariat in Jakarta, Ms. Glenda T. Reyes of the USAID Trade Project.

"This progressive undertaking is a community building process aimed at realizing an open, dynamic, and resilient ASEAN community," Ms. Reyes said. "Its efforts ensure closer and mutually beneficial integration among its member states.

Community (AEC) is expected to bring changes in the trade and investment patterns of the region.

Through the AEC, barriers in trade will be removed or minimized, hence, an improved environment for economic activities within the region. However, she underscored that this should not only be a 'trade in growth', but also 'growth in trade' among the countries.

She reiterated that the goal of the liberalized trading system is also to enhance competitiveness, and harness complementation among the member states as well as increase intra-ASEAN trade and investment.

The anticipated economic integration would expand the Philippine market by an estimated total of 625 million consumers from the 11 states in the Region which could reach up to a market size of 3.4 billion through the ASEAN Plus or the Free Trade Agreement with China, Japan, Korea, India, Australia, and New Zealand.

When asked if the Philippines is prepared for the 2015 ASEAN Integration, Ms. Reyes said that the country is strongly positioned for

"The integration aims to have one vision, one identity, and one community where peace and security and economic and socio-cultural cooperation are closely intertwined and reinforced to ensure durable peace, stability and shared prosperity in the ASEAN Region."

Ms. Reyes stated that the fruition of the ASEAN Economic



For sharing her knowledge, Ms. Glenda Reyes (center) received a certificate of appreciation from (from L) Ms. Annie Rose F. Llanera, Region 2 LLPDCP, Inc. President, and NEDA ARD Ubaldo.



(L to R): DAR ARD Resty C. Osias, DA PMED Chief Kay S. Olivas, and DOT Senior Tourism Officer Ryan N. Sebastian.

This year, the RDC 2 celebrated its 43rd founding anniversary with the theme, "Cagayan Valley Region towards 2015 ASEAN Integration: Shaping a global spectrum of opportunities in agriculture, industry, and tourism." A timely occasion as the Council gears up the region in preparing for and achieving its commitments for the ASEAN economic community by its deadline on December 2015.

During the celebration of the RDC Week held on September 21-25, 2015, the Planners Convention was conducted to serve as an avenue for the region's local planners to be well-prepared for and more knowledgeable of the opportunities as well as the challenges and threats that come with the 2015 ASEAN economic integration.

Department of Agriculture (DA) Regional Technical Director (RTD) Orlando J. Lorenzana welcomed the 135 participants to the convention and stressed the importance of preparing for the integration by nurturing the potentials of the region.

Strengthening the region's agriculture, industry, and tourism sectors

Kay S. Olivas, Chief of the DA Planning, Monitoring and Evaluation Division (PMED), presented the prospects for the agriculture sector such as the creation of value-added products or services and development of innovation.

She also mentioned that, through increased integration, opportunities such as dynamic research and

RDC 2 gears up for ASEAN economic community

development, improved packaging of products, larger market, and an improved local and foreign investment climate can also be expected.

Meanwhile, Department of Agrarian Reform (DAR) Assistant Regional Director Resty C. Osias talked about agricultural land management to further strengthen the potentials of the agriculture sector with regard to planning. ARD Osias provided an understanding of when and how to convert or reclassify lands and challenged the local planners to use the region's lands meaningfully and appropriately in order to avoid wasteful land use conversion.

Finally, presenting for the tourism sector was Ryan N. Sebastian, a senior tourism officer of the Department of Tourism (DOT) Central Office. He said that there are two strategic directions for Philippine tourism, which include the development of experiential regional products and the enhancement and facilitation of ASEAN connectivity. ■

AEC and that it has accomplished more than 90% of the targets before the December 2015 deadline.

This 2015 is a key milestone in ASEAN's community building process and the AEC blueprint set the groundwork for an extensive economic integration agenda for ASEAN. The planned Post-2015 Agenda through the AEC Blueprint 2025 charts a deeper and sustainable growth agenda for ASEAN economic integration from 2016 to 2025. | AAUMOQUIT, PFPD



RDC 2 Secretary and NEDA Assistant Regional Director Victor B. Ubaldo (*third from L*) stressed the importance of the annual Planners Convention as a venue where the region's local planners can be kept abreast of emerging concerns with regard to the country's development efforts. With him are (*from L to R*) Ms. Glenda T. Reyes of the USAID Trade Project, DA RTD Orlando J. Lorenzana, and NEDA ADG Rosemarie G. Edillon.

Selected Private Sector Representatives (PSRs) of the RDC 2 joined other PSRs from the Ilocos, Central Luzon, and Cordillera Regions to participate in the North Luzon Cluster Forum held at the Clark Freeport Zone on August 26-27, 2015.

The Forum served as a venue where the PSRs as development partners of the RDCs in the regions can tackle matters pertaining to the development of North Luzon.

The PSRs discussed topics such as preparing for natural calamities, the effect of the tension at the West Philippine Sea on the livelihood of Filipino fishermen, the integration of North Luzon, and the Clark International Airport (CIA) as a gateway north of Manila.

They agreed that North Luzon regions should help promote the CIA as a twin airport of the Ninoy Aquino International Airport (NAIA).

They thus passed a resolution requesting His Excellency President Benigno S. Aquino III to consider such recommendation.

RDC 2 PSRs take part in North Luzon Cluster Forum

This is viewed as a way to support and push the sound development of Metro Manila as the country's urban core as well as the development of the regions north of Metro Manila.

Having a twin airport in the North will also help decongest traffic in Metro Manila resulting from the influx of travelers going to and out of the City.

They also said that to increase the awareness of all RDC members on the proposed integration of North Luzon, the Luzon Spatial Development Framework (LSDF), which was recently approved by the NEDA Regional Development Committee (RDCOM) - Luzon, should be presented during RDC meetings in the regions.

To show their support to these development initiatives, the North Luzon PSRs passed a resolution

which enjoins all forthcoming hosts of the RDC PSR national conventions to include a feedback mechanism for agreements reached to ensure their effective implementation.

The Forum culminated with a workshop to discuss and deliberate some other issues and concerns and prepare the North Luzon PSRs for the PSR National Convention which will be held in Cagayan de Oro City in October.

Joining the PSRs were the heads of NEDA Regional Offices (NRO) namely, RD Milagros A. Rimando of NRO-CAR, RD Nestor G. Rillon of NRO 1, Assistant RD Victor B. Ubaldo of NRO 2, RD Severino C. Santos of NRO 3, and RD Leon U. Dacanay of NRO 10. Phivolcs Director Dr. Renato U. Solidum also graced the affair. | GERARDO L. CATOLOS, DRD

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RELEVANT ↑

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The joint monitoring teams were led by RD Milagros A. Rimando (*center, both photos*) for RPMC-CAR and RD MaryAnne ER. Darauay (*4th from L, both photos*) and ARD Victor B. Ubaldo (*extreme L, right photo*) for RPMC 2.



RPMC 2 joins RPMC-CAR in field monitoring visit

A joint project monitoring visit was conducted by the Regional Project Monitoring Committees (RPMC) of the RDCs of Region 2 and the Cordillera Administrative Region (CAR) in the provinces of Kalinga, Abra, and Apayao on August 18-20, 2015.

RDC 2 Acting Chair RD MaryAnne ER. Darauay and RDC-CAR Vice Chair RD Milagros A. Rimando spearheaded this first collaboration.

In Kalinga, the two teams first paid a courtesy call to Kalinga Governor Jocel Baac and held a dialogue with the officers of the Irrigators Association (IA) and the District Office of the National Irrigation Administration.

During the visit to the Upper Chico River Irrigation (UCRIS) Project, the monitoring teams found that the project was only 34.6% complete and that the IA doubted whether the December 2015 target date could be realized.

They were also informed that due to the delays in project implementation, the farming calendar and activities of farmers were adversely affected, which compromised their primary source of income and livelihood.

The IA then sought the assistance of the RPMCs to recommend the most appropriate action to address this concern.

The monitoring teams then proceeded to inspect the newly rehabilitated rooms of the Western Kalinga District Hospital in Balbalan.

Under the Health Facility Enhancement Program of the government, the hospital's rehabilitation and upgrading works included the widening of some rooms to increase bed capacity as well as the construction of the hospital's drainage canal.

Also part of the project was the construction of a building where

women who were recovering from child birth can be accommodated. The teams noted that this structure has been completed but remains underutilized due to limited hospital beds and other necessary facilities.

Finally, the RPMC CAR and RPMC 2 passed along the Cagayan-Kalinga-Apayao-Abra road to check sections that were currently being upgraded. This road consists of six separate projects under different contractors with an aggregate allocation of PhP885,066,074.62 for a total road length of 19.692 kilometers.

During the dialogue with the District Engineers at the Field Office of the Department of Public Works and Highways in Pasil, Kalinga, some issues that caused delays in project implementation were raised, which included the acquisition of the Road Right-of-Way and natural events such as landslides and heavy monsoon rains. | ERIC M. CABUTAJE, PMED

5 Infra projects get RDC, RPOC nod

A total of five resolutions on infrastructure development were passed and endorsed by the RDC 2 and the RPOC 2 during their 3rd quarter joint meeting.

Among these are two resolutions supporting the reclassification from local to national of two major roads in Isabela and Cagayan.

The 82-km long Ilagan–Divilacan Road in Isabela connects the coastal municipalities to the mainland.

Meanwhile, the Ayaga–Sta. Marcela–Flora–Lasam Road serves as a link between Region 2 and the Cordillera Region. Unlike the Apayao section, however, the Cagayan portion of this road is still a provincial road.

The conversion from local to national roads will facilitate concreting and upgrading works. It will also aid the delivery of basic social services, disaster relief, and infrastructure development particularly in the coastal towns.

Another resolution that was endorsed by the two Councils was the integration of the Dinapigue, Isabela–Casiguran, Aurora road to the Casiguran–Baler national road in Aurora Province.

Presenting for the Infrastructure Development Committee, RDC 2 Secretary and NEDA Assistant Regional Director Engr. Victor B. Ubaldo said that the integration will improve inter-provincial and inter-regional access and mobility

RDC 2 ok's GREAT Women 2 project in CV Region

More women entrepreneurs will soon be visible in Cagayan Valley Region when the Gender Responsive Economic Actions for the Transformation of Women (GREAT Women 2) Project will be implemented in the region.

The project, which was launched in June 2015 by the Philippine Commission on Women, focuses on the capacity building of women who are involved in micro, small and medium enterprises (MSMEs). Being in the project will help these women improve their products to make their businesses more competitive, more profitable, and more environment-friendly.

For the project to be implemented successfully, the convergence of support and cooperation of selected regional line agencies (RLAs) and other stakeholders should be ensured.

Recognizing its role as the primary institution which sets the direction of economic and social development in the region, the RDC 2 expressed its support to the GREAT Women 2 project during its joint meeting with the RPOC 2 last September.

While the PCW leads the project, it also partners with RLAs such as the Department of Trade and Industry (DTI), Department of Labor and Employment (DOLE), Department of Science and Technology (DOST), Department of Agriculture (DA), and the ECHOsi Foundation.

In the region, the RDC 2 recommended that the Regional Convergence Group that will be created be composed of the regional officers of the DTI, DOLE, DA, DOST, NEDA, the Commission on Higher Education, the five Provincial Governments, and representatives from the business sector. ■

between Cagayan Valley and Central Luzon.

He added that this will enhance productivity and hasten economic development in these areas.

Meanwhile, in Gattaran, Cagayan, about 717 farmers in six barangays are expected to benefit once the Nassiping Pump Irrigation Project commences and becomes operational after being endorsed by the RDC 2 and the RPOC 2.

Deemed as economically viable, this project will irrigate 1,028 hectares of farm land, thereby increasing the total annual rice production by a whopping 194% and farmers' net crop income by 178%.

Specifically, the annual rice production of farmers in the covered barangays is predicted to

rise up to 10,485 MT/ha from a much lower 3,565 MT/ha.

At the same time, their net crop income per hectare per year is expected to reach as high as P99,339 from the present P35,738.

Finally, the two Councils passed a resolution supporting a House Bill authored by Rep. Carlos M. Padilla of Nueva Vizcaya and Rep. Ronald M. Cosalan of Benguet.

House Bill No. 5612 provides for the construction and concreting of barangay roads and multi-purpose pavements in support to comprehensive rural development. It aims to accelerate socioeconomic development in the countryside by hastening travel and communication as well as the delivery of basic social services. |

AYLASAM, DRD

The Department of Agrarian Reform (DAR 02), led by Regional Director Atty. Marjorie P. Ayson, together with Municipal Mayor William Agsunod and Vice Mayor Proceso Balasbas of Mahatao, Batanes, recently distributed individual Certificates of Land Ownership Award (CLOAs) to 21 agrarian reform beneficiaries.

The awarding ceremonies was held at the Mahatao Municipal Training Hall on July 30, 2015.

The distributed landholding was formerly a government-owned land that was turned over to DAR for land distribution.

DAR 02 distributes CLOA in Batanes



It is situated at Panatayan, Mahatao, covering a total area of 52,042 square meters.

Also present during the awarding were Agrarian Reform Program Officer II Virgilio Acasili and

Regional Chief Agrarian Reform Program Officer for operations Eleanor Tagal.

Some infrastructure projects were also turned over to the province of Batanes. | **DAR R02**

DAR 02 trains ARBOs on tractor operation

While the Agrarian Reform Beneficiaries Organizations (ARBOs) in Isabela await the delivery of the second batch of common service facilities, they attended an orientation and hands-on training on full tractor operation that was recently conducted by the Department of Agrarian Reform Regional Office 02.

The training will prepare them for the overall utilization of the farm equipment which will be granted to them under the Agrarian Reform Community Connectivity and Economic Support Services (ARCESS) project.

The training was facilitated by two service mechanics from Equity



Machineries Incorporated, the distributor of the farm equipment.

The ARBOs were trained on pre-start checks, actual operation and basic maintenance of the common service facilities as well as on some health and safety measures for tractor operators.

"We are looking forward to your organizations' growth through these farm equipment," said Ms. Loreta S. Gaspar of the DAR provincial office in Isabela.

"Handle these facilities properly and comply with the maintenance and storage measures to preserve them. The purpose of these equipment is to increase your organizations' income and strengthen your financial stability," she added.

In response, the recipient ARBOs committed to comply with the needs of the farm equipment to maximize their profitability and productivity. | **CHARMAINE CAE G. BARTOLOME, DAR R02**

Batanes increases tourist arrivals by 50%



This island province has recorded an impressive 56.7 percent in tourist arrivals from January to June this year or an increase of 5,396 individuals from its posting of 14,913 during the same period last year.

Tourism data released by Basco Airport Resource and Information Center said the increase could be due to the availability of air transport on a regular basis to and from the island.

“Such services can be considered as the most significant factors in the continuing development of tourism here,” authorities said.

Philippine Airlines flies the Manila-Basco route daily while Skyjet travels here thrice a week.

This is aside from two other aircrafts with a seating capacity of 70 to 90 which are flying the same route, as well as a local aircraft company, the Skypasada, with a 19-passenger capacity which takes off from Tuguegarao.

Airport officials also claimed that the mushrooming of accommodation infrastructures coupled with road development projects in the three main islands are likewise contributory to the overall tourism status of Batanes.

The island started opening its doors to tourists a decade ago as they allowed people to explore its offerings. | PIA R02

CEZA's breakwater saves thousands



The Cagayan Economic Zone Authority's (CEZA) breakwater project received praises from local officials in Sta. Ana, Cagayan for saving thousands of lives during the onslaught of typhoon Ineng that brought about a strong storm surge.

The officials and some fishermen said that without the breakwater, loss of lives and damage to property could have been much worse.

“It's a very traumatic incident. We thought we will again experience severe damages, but we are

thankful this time because of the breakwater, a better protection is now in place,” barangay kagawad Famila Dela Cruz said.

Delfin Maximo, fisherman, said the structure also served not only as their shield against strong waves but also as a safe docking area for their fishing boats.

The P5.1 billion breakwater project, which was funded by CEZA to protect Port Irene, serves as docking area for local and international cargo vessels.

According to CEZA, the private contractor of the project has already signified its intent to immediately rehabilitate the structure's damaged portion without any cost from the government considering that its warranty is still in effect. | PIA R02

Isabela PLGU to train 800 rescue volunteers



The provincial government of Isabela, through its Public Order and Safety Department, is set to train at least 800 rescue volunteers by September.

Atty. Constante Foronda, public order and safety head, said the 800 rescue volunteers will come from the different government agencies based in the province. This includes the Philippine Army, Philippine Air Force, Philippine National Police, and Bureau of Fire Protection. Other volunteers will also come from some civil society organizations.

“Considering the manpower resources during rescue operations, we really need more trained volunteers to help us,” Foronda said during the Provincial Disaster Risk Reduction and Management Council (PDRPMC) meeting held in Ilagan City recently.

At present, the province's Disaster Action Response Team (DART) 831 only has 30 rescue personnel who are on-call for 24 hours during calamities and other emergencies.

Foronda further urged interested individuals who are willing to undergo training on rescue operations to join the province's pool of rescue volunteers. | PIA R02

Nueva Vizcaya offers health caravan



A package of medical services and assistance will be offered by the province next month through the conduct of a health caravan.

The health caravan will be sponsored by the provincial government, in partnership with the Department of Health (DOH), on October 19-22 at the Veterans Regional Hospital (VRH) in Bayombong town.

Dr. Edwin Galapon, provincial health officer, said the health

caravan will offer free services on minor and major surgical operations, as well as medical

and dental services especially for the poor villagers of the province.

“For those who want to avail of the major and minor surgical operations, we are advising them to go to their nearest rural health units for more information and guidance,” he said.

Galapon said the four-day health caravan is in support to the High Impact 5 program of the DOH which aims to prevent maternal deaths and cases of Human Immunodeficiency Virus (HIV)-

AIDS, improve health conditions of children under 5 years old who are afflicted with HIV, and establish a functional service delivery network in the country.

These health concerns continue to be the major challenges of the DOH which prompted the agency to come up with the High Impact 5 strategy.

The program aims to improve population health within 15 months through a synchronized nationwide implementation of activities.

UHC-HI-5 prioritizes provinces with high poverty magnitude, high poverty incidence, and those vulnerable to disasters. | **PIA R02**

Quirino PLGU, 2 other towns get Seal of Good Local Governance



The Department of the Interior and Local Government (DILG) recently conferred the Seal of Good Local Governance (SGLG) to the provincial government of Quirino and to the municipalities of Aglipay and Saguday during the regional awarding ceremony cum Civil Society Organization forum at the Zen Hotel in Santiago City, Isabela held on August 24, 2015.

The said LGUs passed all core assessment areas namely, Good Financial Housekeeping, Disaster Preparedness, and Social Protection, as well as at least three of the essential assessment areas on Peace and Order, Environmental Management,

and Business Friendliness and Competitiveness.

In his response, Governor Junie Cua said that he is deeply

honored to receive such award, saying that it is a fruit of the unity of the Quirinians and the stringent screening of government expenditures by the concerned offices and departments of the provincial government.

The SGLG was introduced by DILG Secretary Mar Roxas in an effort to further strengthen accountability at the LGU level.

It is an improved version of the Seal of Good Housekeeping (SGH) which was a brainchild of former DILG Secretary Jesse Robredo.

Of the six LGUs of Quirino, only Saguday was consistent as a recipient of the SGLG every year,

from 2010 when the SGH was first piloted up to 2015.

Meanwhile, it is the fourth year for the provincial government to be given the SGLG since 2012. It was also in 2012 when it joined all its six LGUs to receive the award.

This year, the Quirino PLGU and the two towns of Saguday and Aglipay joined 11 other LGU-SGLG winners from Region 2. During the awarding ceremony, the local chief executives, together with their Sanggunian members and department heads, received the SGLG medallion, marker, and Performance Challenge Fund check amounting to P7 M for provinces, P5 M for cities, and P3 M for municipalities.

The Seal of Good Local Governance challenges local governments to continue good governance practices while providing better public services. | **PIA REGION 2**

MEMBERSHIP

Brunei, Burma, Cambodia,
Philippines, Indonesia,
Singapore, Thailand, Laos,
Vietnam, and Malaysia



FAST FACTS ASEAN 2015 INTEGRATION

GOAL

**One Vision.
One Identity.
One Community.**

An ASEAN Community shall be established comprising three pillars, namely political and security cooperation, economic cooperation, and socio-cultural cooperation that are closely intertwined and mutually reinforcing for the purpose of ensuring durable peace, stability, and shared prosperity in the region.

ASEAN COMMUNITY PILLARS

❖ ASEAN ECONOMIC COMMUNITY (AEC)

❖ ASEAN SOCIO-CULTURAL COMMUNITY (ASCC)

Envisions a people-centered and socially responsible ASEAN Community through human development, enhanced social welfare and protection, social justice and rights, environmental sustainability, building the ASEAN identity, and narrowing the development gap.

❖ ASEAN POLITICAL AND SECURITY COMMUNITY (APSC)

Envisions to bring ASEAN's political and security cooperation to a higher level, ensuring that the people and member-states of the region live in peace with another and with the world in a just, democratic, and harmonious environment.

The end-goal of the ASEAN economic integration is the full realization of an **ASEAN Economic Community**, wherein the region will be transformed "into a single market and production base, a highly competitive region, a region of equitable economic development, and a region fully integrated into the global economy."

4 PILLARS OF THE AEC

AEC PILLAR 1

Single Market and Production Base

- ◆ Free flow of goods, services, investment, capital, skilled labor
- ◆ Priority Integration Sectors
- ◆ Enhanced competitiveness of the ASEAN's food, agriculture and forestry products/ commodities

AEC PILLAR 2

Competitive Economic Region

- ◆ Competition Policy
- ◆ Consumer Protection
- ◆ Taxation
- ◆ E-commerce
- ◆ Intellectual Property Rights
- ◆ Infrastructure Development

AEC PILLAR 3

Equitable Economic Development

- ◆ SME Development
- ◆ Initiative for ASEAN Integration (IAI)

AEC PILLAR 4

Integration Into the Global Economy

- ◆ Coherence approach towards external economic relations
- ◆ Enhanced participation in global supply networks

The ASEAN Flag

BLUE represents peace and stability
WHITE represents purity
RED represents courage and dynamism



YELLOW represents prosperity; the STALKS symbolize the 10 member-states of the ASEAN