A GLANCE AT 2010

Annual Regional Economic Situationer
CY 2010

National Economic and Development Authority- Region 02
April, 2011

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An Assessment of the Economy[1]

The region's aimed economic rebound from the experienced slump in CY 2009 was hindered by its inescapable nemesis – natural disturbance.

The drought in the 1st semester of the year, the occurrence of Typhoon Juan and the flooding caused by the "tail-end of a cold front" brought much havoc to the region's Agriculture and Fisheries which showed decreases in the production levels of agricultural crops especially palay, corn ,fruits and vegetables and fisheries. While agricultural production has been crippled by the drought during the 1st semester of the year, possible recovery was barred by the disturbances in the last quarter of the year which spoiled supposed harvest in the last two months of the year.

With an economy strongly dependent on agriculture and fishery, which, on the average, accounted for 50% of the regional income, the dull performance of the sector was translated into a weaker economy for the region in CY 2010 compared to CY 2009.

Amidst the slump in the agriculture and fishery, food was still sufficient during the year with production levels of agricultural crops, livestock and poultry exceeding the consumption requirements of the region's population. Moreover, some industries and investments tend to cushion the agriculture's shortfalls especially in the provision of jobs and the fostering of more economic activities.

Huge investments were brought to the region in the year under review. Projects in the region registered at the Board of Investments during the year such as the Gold Extracting/Producing Project of FCF Minerals, Inc., Biomass Energy Plant of Lucky PPH International and the Mini-Hydro Project of Smith-Bell Corporation have brought in a total of Php8.183Billion in capital investments and have generated a total of 483 jobs. Likewise, the Cagayan Special Economic Zone and Freeport had continuously attracted investors with a total of 102 locators registering a total capital investment of Php8.78Billion by the end of CY 2010.

Meanwhile, the Micro, Small and Medium Enterprises (MSMEs) continued to contribute much in terms of investments and employment generated. Number of firms registered under DTI's Business Name Registration also grew by 352 firms. In turn, the amount of investments generated increased by Php 853.4 Million and employment generated exceeded 21 thousand. Loan releases from the Development Bank of the Philippines supported development activities in the region.

[1] **Annual Regional Economic Situationer – CY 2010, National Economic and Development Authority – Region2**

Other sectors such as transportation and communication, quarrying and tourism also showed gains during the year as shown in the increase in the number of vehicles registered in the region and the increase in number of flights together with carried passenger and cargo, the establishment of additional cell sites and installation of additional channels, increase in the volume of sand and gravel extracted and the influx of more tourists into the region, respectively.

Despite the influx of investments, the timid agricultural setting during the year, has affected the region's employment setting with the number of employed decreasing by 0.43% as compared to CY 2009 amidst the increasing demand for labor during the year, with the agriculture sector absorbing most of the region's employment. However, the satisfaction level of those employed, in terms of the number of hours worked for improved, with under employment decreasing by 0.5 percentage points.

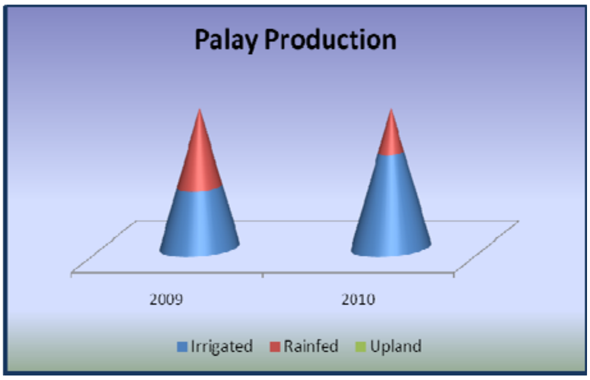
The following sub-sections describe our economic sectors and discuss the details behind the performances and their interrelations to the regional economy.

Weather Disturbances Downed Agriculture and Fisheries

Generally, the agriculture and fisheries was not resilient to the destructive weather occurrences during the year under review with production levels of palay, corn, fruits, vegetables and root crops, livestock and poultry and fisheries showing downtrends.

Palay

Production decreased by 15.95% from 2,077,036MT in 2009 to 1,745,722MT in 2010 with production decreasing in all of the provinces.



Production from irrigated and rainfed areas posted decreases. Figure from irrigated lands showed an 11.37% (from 533,489MT in CY 2009) decrease with only Cagayan showing improvement in production level. Cagayan's figure increased by 2.73% but was negated by the 17% decrease in the production level of the other provinces of the region.

Likewise, production from rain-fed lands showed a 52.56% decrease, from 234,487 MT in CY2009 to 111, 229 MT in CY 2010 with production from the province of Quirino decreasing the most at a 69.7% decrease (from 6,139MT in CY 2009).

The drop in production level can be attributed to decrease in area harvested during the year. Total area harvested with palay dropped off by 5.06 percent from 533,315 hectares in 2009 to 506,351 hectares in 2010. Specifically, area harvested in irrigated and rainfed farmlands decreased by 1.25% and 26.45%, respectively during the year. The decrease in area harvested was due mainly to the drought experienced in the 1st semester of the year which restrained planting activities and caused damage during the semester. Moreover, while most farmers were able to restore planting activities in the 2nd semester of 2010, most of the region's farmlands were messed up by Typhoon Juan and the "tail-end of a cold" front which caused severe flooding, preventing harvest in the last quarter of the year.

With the destructive effects of the said weather disturbances, average yield of Palay per hectare fell by 0.44MT/Ha, from 3.89MT/Ha in CY 2009. While average yield in all of the provinces went down, yield in Isabela slid the most at a 0.62MT/Ha decrease from its CY 2009's figure of 4.07MT/Ha.

Corn

The ruinous effects of the series of weather disturbances during the year did not spare corn production in the region whose figure decreased by 20.94%, from 1,598,198MT in CY 2009 to 1,263,614MT CY 2010 with figures from all the provinces at a downtrend.

Of the figures from the provinces, production in Quirino decreased the most with a 35.42% decrease, from 147,232MT being produced in CY 2009. While accounting for over 68% of the region's production during the year, production figure of Isabela decreased by 17.88%, from 1,052,088MT produced in CY 2009.

Over 93% of the region's corn produce during the year was yellow corn. However, production for the commodity decreased by 20.58%, from its figure of 1,526,900MT in CY 2009.

With land as the most important factor in agricultural crop production, the decline in production level was due to the 12.56% (from 417,121hectares) reduction in the area harvested with corn during the year. The drought discouraged planting activities in the 1st semester of the year. Moreover, typhoon "Juan" and the "tail-end of a cold front" barred production rebound in the 2nd semester of the year as most of the farmers were not able to reap their supposed harvest in the last quarter.

In turn, average yield went down by 0.37MT/Ha, from 3.83MT/Ha in CY 2009. While all of the provinces in the region posted decreases in yield, Quirino's figure dropped the most at a 0.87MT/Ha decrease, from 4.24MT/Ha in CY 2009.

Fruits

Total Fruit production went down by 7.6%, from 560,416.98MT in CY 2009 to 517,849.92MT in the year under review. Production volume of major fruits namely banana, calamansi, mango and pineapple dropped by 6.84%, from a total of 497,520.79MT produce in CY 2009. Likewise, production level of priority fruits such as Balimbing, Lanzones,Papaya and rambutan, among others, declined in CY 2010 by 10.36% (from a total of 27,254.35MT in CY 2009).

Except for mango which showed production increasing by 55.05% (from 37,910.26MT), the region's major fruits showed declines in production levels. Aside from the lesser quantity being produced in the 1st semester of the year during the drought, fruits produced were of smaller sizes because of the drought. Moreover, fruit-bearing plants were severely damaged during the occurrence of Typhoon Juan thus preventing recovery from the production losses during the drought in the 1st semester of the year.

A farmer looking forward to another harvest day

Vegetables and Root Crops

Production level of vegetables and root crops posted a 7% decline during the year, from a total of 262,411.65MT in CY 2009 because of low production levels in both major vegetable commodities and priority vegetable crops.

Major vegetables and root crops which include peanut, eggplant, garlic and camote, among others were badly affected by the drought in the 1st semester of the year. Production figure of major vegetables reflected a 2.12% decrease, from a total of 95,324.9MT in CY 2009 to only 93, 299.44MT in CY 2010 with decreases from peanut, eggplant, garlic and camote. Contributory factors for the decrease in production were the adverse impact of the drought during the 1st quarter of the year and the strong winds and continuous rain during the onslaught of typhoon "Juan".

Likewise, vegetables classified as priority vegetables such as habitchuelas, cauliflower, kangkong and tomatoes, among others, were not spared by the same weather disturbances which badly affected crop yields. Though some of the areas ruined by the typhoon were replanted, the harvest will be late and shall accrue in CY 2011's harvest. As such, total production of priority vegetables posted a 9.23% decrease, from 144,571.53MT in CY 2009.

Livestock and Poultry

Meat production during the year show balance performances with increases shown on big ruminants such as carabao and cattle and decreases on small ruminants such as swine and goat. Production figures include the volume of animals being slaughtered in the region's abattoirs and those exported to other regions.

Carabao production reached 13,586MT in CY 2010 from only 13,343MT in CY 2009 due to the increase in the disposition of backyard-raised carabao to augment income. Moreover, demand for carabeef was high during the campaign period.

Likewise, production level of cattle reached 13,120MT, increasing by 6.81% from 12,283MT in CY 2009 with sustained demand especially during the campaign period in the 1st quarter of the year.

Meanwhile, due to lower live weight price prevailing in the market, swine raisers were discouraged to dispose their stocks. In turn, figure for swine decreased by 2.21%, from 67,601MT in CY 2009 to only 66,104MT in the year under review.

With the drought affecting pasture lands and the availability of stocks for disposition, production level of goats decreased by 7.59%, from 2,083MT in CY 2009.

On poultry, production level of chicken increased by 11.89%, from 35,222MT in CY 2009 due to the increase in the volume disposed from contract growers. The use of more tunnel vent broiler farms is also contributory to the increase in disposition. However, figure for duck decreased by 27.06%, from 3,743MT in CY 2009. There were fewer inventories from both backyard and commercial farms because of the lack of pasture areas during the dry spell.

Fisheries Production

Total fisheries production decreased by 1.79% in the year under review, from 63,482MT in CY 2009 with losses from the aquaculture sector negating gains from both commercial and municipal fisheries.

With the fair weather in the 1st three quarters of the year prompting more fishing efforts in the commercial bodies of water in Cagayan, production from commercial fisheries sector showed a 2.62% increase, from 15,677MT in CY 2009.

Likewise, production from the municipal bodies of water managed to increase by 4.13%, from 32,469MT in CY 2009 with both figures from marine and inland fisheries reflecting gains. Like commercial fisheries, the fair weather in the 1st three quarters of the year encouraged fishing efforts in the region's municipal waters. Moreover, during the onslaught of typhoon Juan and the incidence of the tail of the cold front, more fishes abound to the region's communal bodies of water especially in the province of Isabela. With such, production from inland municipal fisheries showed a 2.04% increase, from 11,589MT in CY 2009.

However, the production gains in both municipal and commercial fisheries were not able to cushion the loss in the aquaculture sub-sector which showed production decreasing by 18.85%, from 15,336MT in CY 2009 to 12,445MT in the year under review. The dry spell in the 1st semester caused stunted growth among aquaculture fisheries. Some of the fishponds and fish cages were no longer re-activated in the 2nd semester of the year. Moreover, some of the fishes raised in operating fishponds during the 2nd semester abound to communal bodies of water – production accrues to the municipal fisheries sub-sector.

Fishponds are the major sources of the region's produce in aquaculture

Food still Sufficient

Amidst the decreases in production levels, food was still sufficient in the region. Volume of rice produced during the year was able to surpass the rice consumption requirements of the population by 222.56%. However, this year's figure was lower by 17.8%, from CY 2009's figure of 270.74%.

Likewise, the volume of white corn produced in CY 2010 exceeded the white corn consumption requirements of the population by 140.23%. However, this year's level is 30.17% lower than CY 2009's 200.81%.

Meanwhile, volume of livestock and poultry produced during the year were more than enough for the region's meat consumption requirements with sufficiency levels for carabeef, goat, pork, chicken meat and duck meat registering at 132.22%, 530.87%, 111.55%, 105.66% and 206.93%, respectively. Volume of beef produced during the year can supply only 86.02% of the beef consumption requirements of the population in CY 2010.

Investments Located in Region 02

CAVEAT: INVESTMENT FIGURES ARE ONLY LIMITED TO READILY AVAILABLE DATA. DATA FROM OTHER SOURCES SUCH AS THOSE IN THE LGUs, IF AVAILABLE, WOULD PRESENT A CLEARER INVESTMENT PICTURE FOR THE REGION.

At the end of the year under review, number of registered locators at the Cagayan Special Economic Zone and Freeport (CSEZFP) reached 102 from only 87 at the end of CY 2009. Out of the registered locators, 67 have started operations during the year. Most of the locators were on interactive gaming support services/service provider industry at a total of 47(from a total of 40 in CY 2009). At the end of the year under review, 34 of the locators in the above industry have already started their operations.

With the increase in number of locators, actual capital investments at the port reached Php 8.78Billion, increasing by 7.55%, from Php8.162Billion in CY 2009. Over 66% of the investments were on interactive gaming support services/service provider at Php 5.79Billion in the year under review.

The influx of locators and investment contributed much to the region's employment. As of the end of the year, a total of 7,284 jobs/employment were generated, out of which a total of 4,831 were in the interactive gaming support services industry.

Meanwhile, huge investments registered in the Board of Investments located in the region during the year. The FCF Minerals Corporation, a producer of Gold Bullion for Export has a project in Barangay Runruno, Quezon, Isabela amounting to Php7 Billion and has a total employment of 426.

Investments on Energy development were also commenced during the year. The Lucky PPH International, Incorporated was developing a Biomass-Fired Power Plant (7.2MW capacity) in Barangay Antonino, Alicia, Isabela with a project cost of Php903Million and employing 38 individuals. Likewise, Smith-Bell Mini Hydro Corporation was developing a Mini-Hydro Power Plant in Barangay Commonal, Solano, Nueva Vizcaya with project cost of Php180Million and employing 19 individuals.

Other huge projects in the region registered under the Board of Investments are the Communities Isabela (Camella Isabela) and the Highlander Hotel and Resort in Nueva, Vizcaya. Both were registered in CY 2009.

Meanwhile, investment ventures on Micro, Small and Medium Enterprises (MSMEs) remained stable during the year with number of firms registered under DTI's Business Name Registration increasing by 3.85% (from 9,151 firms in CY 2009 to 9,503 in September, 2010).

Total investment generated also increased by 32.81%, from Php2.6 Billion in CY 2009 to Php3.45Billion in the first 3 quarters of CY 2010.

Most of the registered firms were on Trading and Services with a total of 8,328 firms accounting for 87.6% of the CY 2010 total. As such, investments on the said industries amounted to a total of Php2.86Billion accounting for 82.9% of the total investment generated through Business Name Registration.

Reports for Amount of Investments and Employment Under DTI's Business Name Registration for CY 2010 are from the period January to September, 2010 as per DTI Administrative Order No. 10-01, series of 2010, section 8, which no longer include capital and employment in the revised business name application form starting October, 2010

The investments have generated a total of 21,309 jobs in the 1st three quarters of 2010, a bit shy of the 22, 606 jobs generated in CY 2009.

Loans Supported Investments

Outstanding loans from the bank increased by 13.71%, from Php1.185Billion in CY 2009 to PHp1.347Billion in CY 2010. While the increase may suggest slow repayment of loans, the increase was attributable to the financing and assistance provided on development projects especially to Local Government Units. Micro, Small and Medium enterprises were also recipients of loans on projects that have high development impacts such as Grains Center, Rice Mill, Contract Growing/Poultry, Markets and Financing of Multi-Purpose Cooperatives.

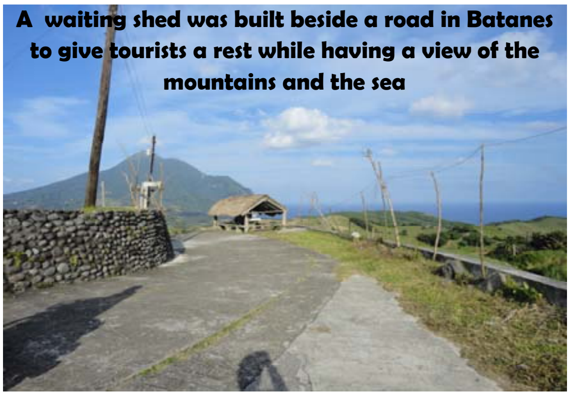
Loans released by the Development Bank of the Philippines reached Php450.908Million, shy by 4.31% from last year's releases of Php471million. Of the amount released, 46.17% was released for Public Administration and Defense. However, loans released for the activity decreased 11.92%, from a Php236.37 in CY 2009.

Worth noting were the loans granted for Agriculture at Php81 Million, a 208.37% increase from Php26.28Million in CY 2009. Likewise, loans released for manufacturing industries increased by 168.93%, from Php7.034M in CY 2009 to Php 18.916Million in CY 2010. Loans for hotels and restaurant development reached Php11.98Million, from only Php1 Million in CY 2009.

Tourists Influx Seen

Tourists Arrivals in the region increased by 4.9 percent, from a total of 675,243 in 2009 to 708,521 in 2010 with figures from both domestic and foreign visitor count increasing during the year.

Most of the visitors were domestic tourists totaling to 674,249 in CY 2010 and accounting for 95.16% of the total arrivals. The region's domestic visitor count increased by 4.88 % in CY 2010 from 642,863 in CY 2009.


A waiting shed was built beside a road in Batanes to give tourists a rest while having a view of the mountains and the sea

Likewise, foreign visitor count (comprised of foreign citizens and "balikbayans") increased by 5.8%, from a total of 32,380 in CY 2009. While the August, 2010 Hostage Crisis may have brought fear to tourists from East Asia, especially those coming from Hong Kong and China, visitors from Europe increased by 62.2%, from 2,826 in CY 2009, cushioning decrease in tourists from East Asia. Likewise, tourists/visitor count from South Asia, North America and the Middle East showed a 76.97% increase.

Quarrying Hinged on Construction Demand

Volume of Sand and Gravel produced in the region increased by 0.9 percent from 783,354.6cu.meter in CY 2009 to 790,347.6cu.meter in 2010 due to the increase in demand for construction purposes. Total volume of produce from the provinces of Cagayan, Isabela and Quirino showed a 69.4% increase, from 441,020.1cu.meter in CY 2009 to 747,027.6cu.meter in CY 2010.

No production of pebbles was recorded in CY 2010 from a figure of 110 cu.m produced in the province of Cagayan in CY 2009.

Meanwhile, production of boulders almost doubled during the year at a 90.8% increase, from a 122,307.62 cu.meter in CY 2009 to 233,377.73cu.meter in CY 2010, due to more construction activities creating demand for the commodity. Production from Cagayan increased by 486.3% (from 37,691.12cu.meter in CY 2009) negating the 85.3% decrease (from 84,616.50cu.meter in CY 2009) in Nueva Vizcaya's production figure.

The decrease in the volume of demand for magnetite sand in the world market led to a 69.2% decrease in the production of the commodity in Cagayan, from 19,500 MT in 2009 to 6,000 in CY 2010.

Land Transport Increased

Number of motor vehicles registered in the region grew by 8.8%, from a total of 222,682 in CY 2009 to a total of 242,285 in the year under review. Most of the registered vehicles were still in the Metro Tuguegarao Area with 16.1% of the total vehicles registered at the Tuguegarao Office. Number of registered vehicles at the Roxas District Office slightly trailed with a 15.54% share in the total. The development activities in the Roxas-Mallig, Isabela area is contributory to the acquirement of more vehicles in the place.

Out of the registered motor vehicles during the year, 64.8% were tricycles/motorcycles. The dominance of motorcycles/tricycles in the region's mode of land transport is due to their cheaper fuel consumption and maintenance. Moreover, motorcycle trading is a booming enterprise in the region as plenty of dealers offer attractive payment schemes to consumers.

Through the registration of motor vehicles and the stringent performance of the revenue generation functions of the Land Transportation Offices in the region, total revenue generated by the office increased by 7%, from a Php405Million in CY 2009.

Air Transport Access Increased

Number of scheduled flights registered at a total of 3,394 (both landing and take-off), 18.34% higher than CY 2009's total of 2,868.

The increase in the number of flights can be linked to the growing demand for air transportation services especially on the carriage of passenger and cargo.

Air Transport passengers from the above flights registered a total of 170,517, higher by 29.16% from CY 2009's 132,020. Likewise, volume of cargoes registered a total of 2.02Million kilograms, adding 72.80% to CY 2009's 1,17Million Kilograms. The increasing number of passengers and cargoes was due to the operation of commercial airlines in the region especially along Tuguegarao, Basco and Cauayan Airport.

There were also non-scheduled flights in the region at a total of 7,970 in CY 2010, lower by 52% from CY 2009's total of 16,604. Most of these flights were from military, emergency landing and flying schools.

Telecommunication Services Expanded

Mobile Telecommunication Services in Region 2 was wide-ranging in CY 2010 with a total of 406 licensed cell sites being established providing a total of 3,064 available channels for the region's mobile telecommunication subscribers.

SMART Communications, Inc. has a total of 173 cell sites and 1,317 channels at the end of the year, followed by Globe Telecom, Inc. with 157 cell sites and 1,169 channels and the DIGITEL Mobile Philippines, Inc. (Sun Cellular) with 76 cell sites and 578 channels.

> ***Channel**, refers either to a physical transmission medium such as a wire, or to a logical connection over a multiplexed medium such as a radio channel. A channel is used to convey an information signal, for example a digital bit stream, from one or several senders (or transmitters) to one or several receivers.* ***(Wikipedia)***

Most of the cell sites were located in Isabela with 156 providing 1,282 channels in the province. On the meager end, Batanes has only 13 cell sites with a total of 82 channels.

The expansion of mobile telecommunication services in the region somewhat indicate an increase in telecommunication subscribers and the stability of the region's mobile telecommunication industry.

Employment Still Stable

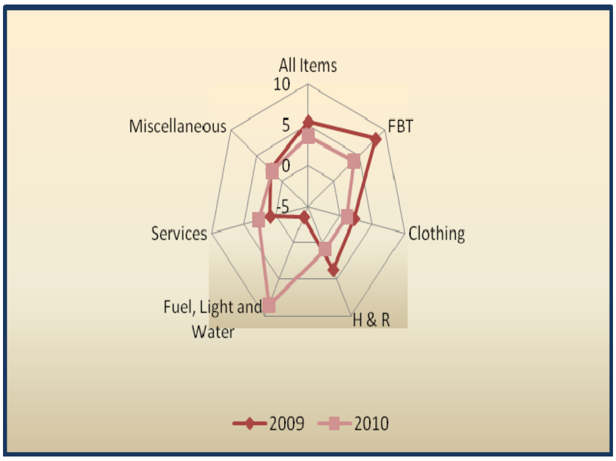
In CY 2010, participation in the labor force was slightly down by 1.49%. Out of the working age population of around 2.193 Million during the year, only 66.2% participated in the labor force (either working or looking for work) as compared to 67.2% participation in CY 2009. However, in number, participation increased by 0.55%, from 1.444 Million in CY 2009 to 1.452Million in CY 2010.

Amidst the increasing demand for work, employment declined by 0.43 percent from 1.404M in CY 2009 to only 1.398M in CY 2010. As such, unemployment increased by 31.71%, from 41 thousand in CY 2009 to 54 thousand in CY 2010. The National Statistics Office reports the country's trend in which most of the unemployed were young person's 15 to 24 and most of the unemployed were high school graduates or undergraduates.

Worth noting however is the increase in the satisfaction level of those who are employed in terms of the number of hours of work they were given. The number of underemployed (those who are looking for more hours of work) decreased by

3.76%, from 213 thousand in CY 2009 to only 205 thousand in CY 2010 translating to an underemployment rate of only 14.7% in CY 2010 from 15.2% in CY 2009.

Inflation Posed Lesser Strain



Consumers were in a better position in CY 2010 with inflation slowing down to only 3.58%, from a high of 5.32% in CY 2009. Only the figures of Fuel, Light and Water and Services commodity groups sped up.

Amidst decreases in the production levels of agricultural crops, inflation on food commodities slowed down to only 4.03%, from 8.41% in CY 2009 with slowdowns shown by almost all food commodities. Indices of rice, cereals, and fruits and vegetables decelerated to negative rates of -3.42%, -0.02%, and -0.76%, respectively, from positive rates in CY 2009.

Meanwhile, oil price shocks in the world market made the fuel index undesirable with inflation on Fuel, Light and water registering at 8.56%, from a negative rate of 3.46% in CY 2009. Fuel indices alone rose by 13.80% from a drop of 4% in CY 2009.

Development Prospects in the Next Year and Beyond

The fair weather experienced in the 1st quarter of CY 2011 is anticipated to be a factor for a possible production rebound in Agriculture and Fisheries. This will also attract more tourists' visits in the region especially on the region's ecotourism areas.

Likewise, with rehabilitation and development ongoing on damaged properties and infrastructures during the occurrence of typhoon Juan and the tail of the cold front, activities on construction are expected to trigger growth from the industry sector.

The continuous improvement of the Cagayan Special Economic Zone and Freeport will help stabilize the region's investment climate in the long run. Moreover, the operationalization of investments under the Board of Investments such as the Gold Extracting/Producing Project of FCF Minerals, Inc., Biomass Energy Plant of Lucky PPH International and the Mini-Hydro Project of Smith-Bell Corporation, among others, will further spur activities on the industry and service sector and will create more employment opportunities for the people. Not to be outdone are the investments in MSMEs which are expected to increase this year with the implementation of the Business Permits and Licenses System (BPLS) which can cater to both local and foreign investments.

To further encourage agricultural crop production in Nueva Vizcaya, the province's Agricultural Terminal (NVAT) is looking forward for a contract with SAVE MORE on the creation of drop points and bay area for the fruits and vegetable produce of the province. This will strengthen market linkages for the province's agricultural produce. (PIA,February 8, 2011)

TABLES

Table 1
Palay Production, In Metric Tons
Region2: CY 2009 vs. CY 2010

Province	Irrigated		Rainfed		Upland		Total		% Change
	2010	2009	2010	2009	2010	2009	2010	2009	
Cagayan	548,071	533,489	67,449	147,824	801		616,321	681,313	(9.54)
Isabela	831,542	1,015,001	33,822	69,810	475		865,839	1,084,811	(20.19)
Nueva Vizcaya	192,367	220,570	8,100	10,714	105		200,572	231,284	(13.28)
Quirino	61,105	73,489	1,858	6,139	27		62,990	79,628	(20.89)
Cagayan Valley	1,633,085	1,842,549	111,229	234,487	1,408		1,745,722	2,077,036	(15.95)

Source: BAS-RO2

Table 2
Area Harvested for Palay, In Hectares
Region2: CY 2009 vs. CY 2010

Province	Irrigated		Rainfed		Upland		Total		% Change
	2010	2009	2010	2009	2010	2009	2010	2009	
Cagayan	141,685	134,334	40,755	55,527	900		183,340	189,861	(3.43)
Isabela	232,438	241,632	18,196	24,797	430		251,064	266,429	(5.77)
Nueva Vizcaya	50,723	53,199	3,507	3,680	70		54,300	56,879	(4.53)
Quirino	16,737	18,018	895	2,128	15		17,647	20,146	(12.40)
Cagayan Valley	441,583	447,183	63,353	86,132	1,415		506,351	533,315	(5.06)

Source: BAS-RO2

Table 3
Palay Productivity, In MT/Ha
Region2: CY 2009 vs. CY 2010

Province	Irrigated		Rainfed		Upland		Total		Difference
	2010	2009	2010	2009	2010	2009	2010	2009	
Cagayan	3.87	3.97	1.65	2.66	0.89		3.36	3.59	(0.23)
Isabela	3.58	4.20	1.86	2.82	1.10		3.45	4.07	(0.62)
Nueva Vizcaya	3.79	4.15	2.31	2.91	1.50		3.69	4.07	(0.37)
Quirino	3.65	4.08	2.08	2.88	1.80		3.57	3.95	(0.38)
Cagayan Valley	3.70	4.12	1.76	2.72	1.00		3.45	3.89	(0.45)

Source; BAS-RO2

Table 4
Corn Production, In Metric Tons
Region 2: CY 2009 vs. CY 2010

Province	White		Yellow		Total		% Change
	2010	2009	2010	2009	2010	2009	
Cagayan	18,276	28,336	242,964	307,268	261,240	335,604	(22.16)
Isabela	28,897	39,152	835,002	1,012,856	863,899	1,052,008	(17.88)
Nueva Vizcaya	3,294	3,304	40,095	60,050	43,389	63,354	(31.51)
Quirino	440	506	94,646	146,726	95,086	147,232	(35.42)
Cagayan Valley	50,907	71,298	1,212,707	1,526,900	1,263,614	1,598,198	(20.94)

Source: BAS-RO2

Table 5
Corn Area Harvested, In Hectares
Region 2: CY 2009 vs. CY 2010

Province	White		Yellow		Total		% Change
	2010	2009	2010	2009	2010	2009	
Cagayan	10,988	12,749	74,017	82,135	85,005	94,884	(10.41)
Isabela	12,030	14,244	227,022	257,599	239,052	271,843	(12.06)
Nueva Vizcaya	1,244	1,275	11,196	14,399	12,440	15,674	(20.63)
Quirino	180	185	28,046	34,535	28,226	34,720	(18.70)
Cagayan Valley	24,442	28,453	340,281	388,668	364,723	417,121	(12.56)

Source: BAS-RO2

Table 6
Corn Yield Per Hectare, In MT/Ha
Region 2: CY 2009 vs. CY 2010

Province	White		Yellow		Total		Difference
	2010	2009	2010	2009	2010	2009	
Cagayan	1.66	2.22	3.28	3.74	3.07	3.54	(0.46)
Isabela	2.40	2.75	3.68	3.93	3.61	3.87	(0.26)
Nueva Vizcaya	2.65	2.59	3.58	4.17	3.49	4.04	(0.55)
Quirino	2.44	2.74	3.37	4.25	3.37	4.24	(0.87)
Cagayan Valley	2.08	2.51	3.56	3.93	3.46	3.83	(0.37)

Source: BAS-RO2

Table 7
Production Estimates of High-Value Commercial Crops
Region 2: CY 2009 vs. CY 2010

COMMODITY	PRODUCTION (MT)		% CHANGE
	2010	2009	
BANANA	368,074.23	419,405.70	(12.24)
CASSAVA	41,291.29	38,545.21	7.12
PEANUT	3,392.73	4,432.36	(23.46)
PINEAPPLE	29,375.27	32,574.03	(9.82)
EGGPLANT	18,263.55	19,893.75	(8.19)
ONION	3,183.38	2,058.54	54.64
MANGO	58,781.20	37,910.26	55.05
MONGO	3,949.81	3,691.7	6.99
CAMOTE	11,068.32	13,573.56	(18.46)
CALAMANSI	7,252.95	7,630.80	(4.95)
TOMATO	10,605.48	11,525.21	(7.98)
CABBAGE	1,359.84	1,390.14	(2.18)
GARLIC	185.04	214.43	(13.71)
BALIMBING	82.67	104.68	(21.03)
LANZONES	84.75	110.89	(23.57)
PAPAYA	2,289.88	2,886.72	(20.68)
RAMBUTAN	433.65	383.75	13.00
TAMARIND	2,109.40	2,984.26	(29.32)
WATERMELON	10,450.94	10,418.92	0.31
MANDARIN	8,154.78	9,424.82	(13.48)
ORANGE	824.25	940.31	(12.34)

Continuation of Table 7			
HABITCHUELAS	3,875.99	4,420.87	(12.33)
B. BLOSSOM	9,848.94	11,092.75	(11.21)
CAULIFLOWER	87	103.14	(15.65)
KANGKONG	2,168.74	2,685.42	(19.24)
PECHAY	5,480.62	6,000.21	(8.66)
AMPALAYA	6,450.18	7,600.11	(15.13)
STRINGBEANS	18,409.68	20,348.73	(9.53)
GOURD	12,906.15	14,460.37	(10.75)
OKRA	5,213.82	5,695.58	(8.46)
SQUASH FRUIT	45,635.84	49,155.59	(7.16)
GINGER	5,243.72	5,461.92	(3.99)
PEPPER	1,065.69	1,146.3	(7.03)
CARROTS	758.12	818.2	(7.34)
GABI	13,436.34	14,880.59	(9.71)
RADISH	199.84	165.59	20.68
IRISH POTATO	440.87	536.16	(17.77)
OTHER VEGETABLE	19,519.66	22,515.22	(13.30)
OTHER FRUITS	29,935.95	35,711.84	(16.17)

Source: BAS-RO2

Table 8
Production Estimates of Livestock and Poultry, In Metric Tons
Region 2: CY 2009 vs. CY 2010

COMMODITY	2010	2009	% CHANGE
CHICKEN	39,409	35,222	11.89
DUCK	2,730	3,743	(27.06)
GOAT	1,925	2,083	(7.59)
CATTLE	13,120	12,283	6.81
CARABAO	13,586	12,343	10.07
SWINE	66,104	67,601	(2.21)

Source: BAS-RO2

Table 9
Production Estimates for Fisheries
Region 2: CY 2009vs. CY 2010

COMMODITY	Production (MT)		% CHANGE	Area harvested(ha)		% CHANGE
	2010	2009		2010	2009	
COMMERCIAL	16,087	15,677	2.62			
Cagayan	16,087	15,677	2.62			
MUNICIPAL	33,811	32,469	4.13			
Marine	21,985	20,880	5.29			

Continuation of Table 9						
Cagayan	20,495	19,383	5.74			
Isabela	577	540	6.77			
Batanes	913	956	(4.55)			
Inland	11,826	11,589	2.04			
AQUACULTURE	12,445	15,336	(18.85)	3,479	4,069	(14.50)
Cagayan	6,730	8,054	(16.44)	1,691	1,958	(13.64)
Isabela	4,527	5,662	(20.05)	1,275	1,525	(16.39)
Nueva Vizcaya	827	1,065	(22.33)	311	365	(14.79)
Quirino	360	554	(34.98)	202	221	(8.60)
Cagayan Valley	62,343	63,482	(1.79)			

Source: BAS-RO2

Table 10
Food Sufficiency Levels
Cagayan Valley: CY 2009 vs. CY 2010

Commodity	Year	Total Production	Total Available for Consumption (MT)	Total Consumption	Surplus/ (Deficit), MT	Sufficiency Level	% Change
Rice	2009	2,077,036	978,034.70	361,239.20	616,795.50	270.74	-17.8
	2010	1,745,722	822,025.58	369,355.70	452,669.88	222.56	
White Corn	2009	71,298	60,603.30	30,178.69	30,424.61	200.81	-30.17
	2010	50,907	43,270.95	30,856.76	12,414.19	140.23	
Carabao (Carabeef)	2009	31,990	4,606.50	5,024.58	-418.02	91.68	44.22
	2010	49,753	6,793	5,137.47	1,655.53	132.22	
Cattle (Beef)	2009	36,870	4,744.62	7,458.85	-2714.23	63.61	35.22
	2010	51,589	6,560	7,626.44	-1,066.44	86.02	
Goat (Chevon)	2009	209,600	1,959.76	156.04	1,803.72	1,255.91	-57.73
	2010	87,721	847	159.55	687.45	530.87	
Hog (Pork)	2009	562,852	30,731.72	40,571.14	-9,839.42	75.75	47.26
	2010	839,332	46,273	41,482.71	4,790.29	111.55	
Chicken Meat	2009	10,664,308	12,153.05	28,087.71	-15,934.67	43.27	144.20
	2010	27,289,128	30,345	28,718.80	1,626.2	105.66	
Duck Meat	2009	1,576,174	1,584.05	967.47	616.59	163.73	26.39
	2010	1,445,096	2,047.00	989.20	1,057.8	206.93	

Source: DA-RO2

Table 11
Registered Locators/Enterprises in CSEZFP
By Nature of Business, 4th Quarter, 2009 and 4th Quarter, 2010

Nature of Business	Number of Locators		Employment Generated		Actual Capital Investment		Status of Operation	
	2009	2010	2009	2010	2009	2010	2009	2010
Banking	2	1	11	16	10.15M		1	1
Candle Manufacturing	1	1	12	12	3.965M	3.965M	start up	Start up
Commercial Fishing		1		5		27.5M		provisional
Commercial and Industrial Facilities Operation	1	1	15	15	432.825M	749.45M	start up	Start up
Construction	1	1	342	350	106.53M	106.53M	1	1
E-commerce		1		4		233.68M		Start up
Gaming Operations	2	2	105	48	10.312M	70M	start up	2
Importation and Trading of Used Vehicles	1	2	20	40	12.95M	18.33M	1	2
Interactive Gaming	1	1	70	70	741.41M	850.483M	1	1
Interactive Gaming Support Services/Service Provider	40	47	3989	4,831	5.83B	5.794B	32	34
Interactive Gaming Support Services/Service Provider	2	1	11	16	10.15M		1	1
International Fishing	1	1	20	20	44.36M	44.36M	1	1
Internet Service Provider and Data Center Hosting	1	1	6	7	100.39M	143.75M	1	1
Leisure Facilities Operation	3	4	730	1171	177.51M	173.996M	3	3
Logistics and Ship Bunkering	1	1	12	12	12.2M	12.2M	start up	Start up

Continuation Table 11								
LPG Refilling Station	1	1	29	29	1.125M	1.125M	provisional	provisional
Management Services	1	1	3	4	2.09M	2.1M	1	1
Mining and Quarrying	1	1	17	12	5.16M	4.496M	1	1
Petroleum Products and Services	1	1	7	7	5M	5M	1	1
Plastic Bags Manufacturing	1	1	12	12	3.965M	3.965M	start up	Start up
Plastic Sacks Manufacturing	1	1	12	12	3.965M	3.965M	start up	Start up
Port Operations	1		30		200M		not operational	
Power Generation	1	1	4	4	15M	15M	provisional	provisional
Processing and exportation of sand, gravel, armored rocks, and limestone	2	2	13	6	175.645M	175.645M	start up	Start up
Real Estate	4	5	25	17	35.224M	36.63M	1 (3-start up)	1 (4-start up)
Retail and Services		1		8		400Thou		Start up
Seaport and Container Terminal Operations and Services		1		5		40M		Start up
Software Development, Technical and Customer Support	1		9		1.7M		start up	

Continuation of Table 11								
Telecommunications Provider	1	1			21,479	21,479	not operational	not operational
Tourism and Resort Services	2	4	18	25	27.13M	17.5M	2	4
Trading	1	1	12	12	3.965M	3.965M	start up	Start up
Trading of Used Vehicles	11	13	465	503	156.56M	196.15M	9	13
Trading of Petroleum Products and Other Related	1	1	12	12	1.18M	1.18M	provisional	provisional
Transport Charter Services	1	1	15	15	41.936M	41.936M	start up	not operational
TOTAL	**87**	**102**	**6015**	**7,284**	**8.162B**	**8.778B**	**57 (operational)**	**67 (operational)**

Source: CEZA

Table 12
Investments through DTI's Business Name Registration
CY 2009 vs. CY 2010

Type of industry	No. of Firms Registered		Amount of Investment Generated		Employment Generated	
	CY 2009	CY 2010	CY 2009	CY 2010 (Jan. - Sept.)	CY 2009	CY 2010 (Jan. - Sept.)
Agri-Based Production	145	197	125,298,655	168,216,635	711	495
Construction	60	188	90,650,636	187,112,474	530	577
Manufacturing	792	790	164,277,612	235,879,778	2,155	1,726
Trading	4,651	4,456	1,139,512,871	1,790,021,502	10,496	11,546
Services	3,503	3,872	1,080,932,469	1,072,853,846	8,714	6,965
Total	**9,151**	**9,503**	**2,600,672,243**	**3,454,084,235**	**22,606**	**21,309**

Source: DTI-RO2

Table 13
DBP Outstanding Loans, In Million Pesos, By Industries
As of CY 2009 and CY 2010

INDUSTRIES	December 31, 2010		December 31, 2010		Growth Rate
	O/S BALANCE	% SHARE	O/S BALANCE	% SHARE	
AGRI-AGRA LOANS					
SMEs	67.915	5.04%	62.740	5.30%	8.25%
LGU Loans	-	-	-	-	-
Small farmers & fisherfolks	4.742	0.35%	7.010	0.59%	(32.36%)
Livelihood Loans	-	-	-	-	-
Sub-Total	72.652	5.39%	69.750	5.89%	4.17%
NON AGRI-AGRA LOANS					
LGU Loans	492.164	36.53%	403.277	34.03%	22.04%
GOCCs	28.186	2.09%	29.568	2.50%	(4.67%)
Others	754.228	55.99%	682.221	57.58%	10.55%
Sub-Total	1,274.578	94.61%	1,115.066	94.11%	14.31%
REGION TOTAL	**1,347.235**	**100.00%**	**1,184.816**	**100.00%**	**13.71%**

Source: DBP-RMC

Table 14
DBP Outstanding Loans, In Million Pesos, By Provinces
As of CY 2009 and CY 2010

Provinces	December 31, 2010		December 31, 2009		Growth Rate (%)
	O/S BALANCE	% SHARE	O/S BAL;ANCE	% SHARE	
Batanes	-	-	-	-	-
Cagayan	619.263	45.96%	445.386	37.59%	39.04%
Quirino	-	-	-	-	-
Isabela	611.191	45.37%	640.859	54.09%	(4.63%)
Nueva Vizcaya	116.781	8.6%	98.571	8.32%	18.47%
TOTAL	**1,347.235**	**100.00%**	**1,184.816**	**100.00%**	**13.71%**

Source: DBP-RMC

Table 15
DBP Loan Releases, By Activity, In Million Pesos
As of CY 2009 and CY 2010

Economic Activity	December 31, 2010		December 31, 2009		Growth Rate (%)
	Releases	% Share	Releases	% Share	
Agriculture	81.05	17.97	26.28	5.58	208.37
Fishing			0.176	0.04	
Manufacturing	18.916	4.19	7.034	1.49	168.93
Electiricty, Gas and Water			99.138	21.04	
Construction	4	0.89	2	0.43	100
Wholesale and Retail Trade	63.623	14.11	50.056	10.62	27.10
Real Estate, Renting and Business Activities			21.496	4.56	
Public Administration and Defense	208.191	46.17	236.37	50.16	(11.92)
Education	4.5	1			
Health and Social Work	1.7	0.38			
Other Community, Social and Personal Service Activities	56.948	12.63	27.649	5.87	105.97
Hotel and Restaurants	11.98	2.66	1	0.21	1098.05
TOTAL RELEASES	**450.908**	**100**	**471.202**	**100**	**(4.31)**

Source: DBP-RMC

Table 16
DISTRIBUTION OF REGIONAL TRAVELLERS IN THE PHILLIPINES
Region 02: CY 2009 vs. CY 2010

Country of Residence	2010	2009	% change
ASEAN			
Indonesia	135	108	25.0
Laos	-	-	-
Malaysia	340	311	9.3
Singapore	408	800	-49.0
Thailand	29	99	-70.7
Sub-Total	912	1,318	-30.8
EAST ASIA			
China	8,097	8,376	-3.3
Hong Kong	1,297	1,506	-13.9
Japan	2,468	2,215	11.4
Korea	2,477	2,211	12.0

Continuation of Table 16			
Taiwan	1,454	1,734	-16.1
Sub-Total	15,793	16,042	-1.6
SOUTH ASIA			
India	1,546	1,072	44.2
Sri Lanka	-	94	-100.0
Sub-Total	1,546	1,166	32.6
NORTH AMERICA			
Canada	1,003	1,005	-0.2
Mexico	98	11	790.9
U.S.A.	3,461	3,288	5.3
Sub-Total	4,562	4,304	6.0
OCEANIA			
Australia	853	951	-10.3
New Zealand	182	111	64.0
Sub-Total	1,036	1,062	-2.4
EUROPE			
Austria	83	55	50.9
Belgium	63	29	117.2
Brazil	-	-	-
Denmark	78	32	143.8
Finland	123	46	167.4
France	628	270	132.6
Germany	871	587	48.4
Great Britain	432	541	-20.1
Greece	43	14	207.1
Holland	74	47	57.4
Italy	540	293	84.3
Netherlands	452	274	65.0
Norway	73	63	15.9
Poland	9	2	350.0
Portugal	113	30	276.7
Romania	10	5	100.0
Russia	526	261	101.5
Spain	210	103	103.9
Sweden	116	59	96.6
Switzerland	139	115	20.9
Sub-Total	4,583	2,826	62.2
MIDDLE EAST			
Dubai	-	12	-100.0
Egypt	7	-	-
Iraq	-	1	-100.0
Israel	34	7	385.7
Jordan	26	10	160.0
Lebanon	-	4	-100.0
Pakistan	5	2	150.0
Kuwait	3	3	0.0
Saudi Arabia	38	11	245.5
Turkey	28	-	-
UAE	11	2	450.0
Sub-Total	152	52	192.3
TOTAL FOREIGN TRAVELLERS	28,583	26,770	6.8
OTHERS/BALIKBAYANS	5,689	5,610	1.4
Sub-Total	34,272	32,380	5.8
TOTAL DOMESTIC TRAVELLERS	674,249	642,863	4.88
GRAND TOTAL	708,521	675,243	4.9

Source: DOT-RO2

Table 17
Flight, Passenger and Cargo Movement
Region 02: CY 2009 vs. CY 2010

YEAR	AIRCRAFT MOVEMENT				PASSENGER MOVEMENT				CARGO MOVEMENT (Kilogram)			
	Scheduled Flights		Non-Scheduled Flights		Scheduled Flights		Non-Scheduled Flights		Scheduled Flights		Non-Scheduled Flights	
	Landing	Take-off	Landing	Take-off	Arrival	Departure	Arrival	Departure	Loaded	Un-loaded	Loaded	Un-loaded
2009	1,434	1,434	8,302	8,302	66,218	65,802	5,976	5,502	722,707	450,985	63,303	144,405
2010	1,697	1,677	3,985	3,985	83,967	86,550	4,460	3,813	1,125,689	902,504	51,401	107,749

Source: CAAP-Northern Luzon

Table 18
Number of Cell Sites by Province and By Service Provider
Region 02: CY 2009 vs. CY 2010

PROVINCE	COMPANY/SERVICE PROVIDER							
	DIGITEL MOBILE PHILIPPINES, INC. (SUN CELLULAR)		SMART COMMUNICATIONS, INC.		GLOBE TELECOM, INC.		TOTAL	
	CELL SITE	CHANNEL	CELL SITE	CHANNEL	CELL SITE	CHANNEL	CELL SITE	CHANNEL
BATANES	0	0	7	51	6	31	13	82
CAGAYAN	17	126	66	448	69	536	152	1,110
ISABELA	36	278	67	599	53	405	156	1,282
N.VIZCAYA	20	150	27	172	21	135	68	457
QUIRINO	3	24	6	47	8	62	17	133
TOTAL	76	578	173	1,317	157	1,169	406	3,064

Source: NTC-RO2

Table 19
MINERAL AND QUARRY PRODUCTION, REGION 02
CY 2009 vs. CY 2010

PROVINCE/COMMODITY	VOLUME		% CHANGE
	2010	2009	
Sand and Gravel (cu.m)			
Cagayan	207,621.56	191,048.10	8.7
Isabela	285,879.00	171,111.00	67.1
Quirino	253,527.00	78,861.00	221.5
Nueva Vizcaya	43,320.00	342,334.50	-87.3
TOTAL	790,347.56	783,354.60	0.9
Pebbles (cu.m.)			
Cagayan	0	110	-100.0
Earth Material (cu.m.)			
Cagayan	2,200.00	1,750.00	25.7
Boulders (cu.m.)			
Cagayan	220,967.23	37,691.12	486.3
Nueva Vizcaya	12,410.50	84,616.50	-85.3
TOTAL	233,377.73	122,307.62	90.8
Manganese (MT)			
Nueva Vizcaya	0	700	-100.0
Magnetite (MT)			
Cagayan	6,00.00	19,500.00	-69.2

Source: MGB-RO2

Table 20
Consumer Price Index and Inflation, Region 02
CY 2009 vs. CY 2010

Commodity Group	2008 Average	Cy 2009 Average	CY 2010 Average	Inflation09	Inflation 10
All Items	149.8	157.8	163.4	5.32	3.58
I. Food, Beverages and Tobacco	151.3	163.7	170.0	8.15	3.87
Food	152.4	165.2	171.9	8.41	4.03
Cereal and Cereal Preparations	159.2	178.0	178.9	11.80	0.52
Cereals	163.1	183.2	176.9	12.31	-3.42
Rice	164.3	185.0	185.0	12.61	-0.02
Corn	136.7	142.9	153.1	4.55	7.12
Cereal Preparations	144.2	157.9	160.9	9.51	1.92
Dairy Products	172.9	182.7	181.3	5.65	-0.74
Eggs	144.6	152.7	158.5	5.63	3.79
Fish	143.6	154.4	165.3	7.53	7.07
Fruits and Vegetables	144.5	157.7	156.5	9.15	-0.76
Meat	143.4	154.9	162.9	8.00	5.16
Miscellaneous Foods	160.7	167.7	180.2	4.36	7.46
Beverages	145.7	151.9	153.4	4.24	1.02
Tobacco	124.3	129.5	134.4	4.17	3.76
Non-Food	147.7	149.1	153.8	1.01	3.10
II. Clothing	122.9	125.5	126.9	2.18	1.04
Footwear	128.6	131.9	133.8	2.57	1.37
Ready-made Apparel	120.7	123.1	124.3	2.01	0.94
Custom Clothes	122.8	126.8	128.0	3.24	0.95
III. Housing and Repairs	129.2	134.0	135.2	3.76	0.90
Minor Repairs	138.5	148.3	152.0	7.08	2.49
Rentals	128.2	132.4	133.4	3.31	0.76
IV. Fuel, Light and Water	194.6	187.8	203.9	-3.46	8.56
Fuel	210.6	202.1	230.0	-4.00	13.80
Light	168.4	171.1	174.4	1.63	1.90
Water	176.8	186.0	191.1	5.24	2.72
V. Services	162.4	163.8	168.2	0.85	2.67
Educational	167.3	174.7	178.2	4.42	2.01
Medical	133.3	138.0	139.7	3.51	1.26
Personal	134.0	136.1	136.9	1.52	0.61
Recreational	108.7	110.1	109.7	1.27	-0.36
Transportation & Communication	187.1	182.5	190.4	-2.46	4.33
Other Services					
VI. Miscellaneous	119.0	121.5	123.8	2.11	1.93

Continuation of Table 20					
Household Furnishing & Equipment	110.2	111.7	113.1	1.31	1.29
Household Operations	123.5	131.3	135.2	6.34	2.96
Personal Care and Effects	119.2	121.8	123.0	2.21	0.94
Other Miscellaneous Items	126.3	126.3	126.3	0.00	0.00

Source: NSO-02

Table 21
Labor and Employment, Region 02
CY 2009 vs. CY 2010

Indicator		2010	2009	% change
Labor Force Participation	Number (in thousand)	1,452	1,444	0.55
	Rate (%)	66.2	67.2	-1.49
Employment	Number (in thousand)	1,398	1,404	-0.43
	Rate (%)	96.3	97.2	-0.93
Unemployment	Number(in thousand)	54	41	31.71
	Rate (%)	3.7	2.8	32.14
Underemployment	Number (In thousand)	205	213	-3.76
	Rate (%)	14.7	15.2	-3.29