CY 2015 Annual Regional Economic Situationer

Cagayan Valley

The regional economy in CY 2015 showed indications of growth due to strong macroeconomic performance, i.e. stable inflation rate at 2.0 percent and increased employment rate to 96.8 percent from last year's 96.3 percent.

Across the main production sectors, the Industry and Services sectors manifested positive performances as suggested by the uptrend in most key indicators. Investments from Department of Trade and Industry's (DTI) Business Name Registration posted an increase of 1.08 percent to a total of PhP 4.48 Billion. The region's tourism industry has likewise substantially contributed to the economy as tourist revenues increased to PhP2.8 Billion, reflecting an 8.69 percent gain from last year. Other noted feats for the period were the increase in loan availments, and motor vehicles registration. However, private construction was marginally lower this year as construction projects slightly declined by 1.22 percent. Mining and quarrying production also declined attributed to the slowdown in construction activities.

The Agriculture sector exhibited modest growth for the year. Palay and corn recorded minimal declines of 1.01 percent and 2.99 percent, respectively, attributed to the damages brought about by the calamities (typhoons Lando and Ineng, and El Niño) that hit the region. Counteracting this decrease was the rise in other crops production especially vegetables and root crops with an output gain of 31.75 percent. Livestock and poultry production likewise increased during the year. The sustained support and assistance of the various regional agencies and local government units in promoting and further improving the backbone sector of the region's economy was evident in the performance of the sector. The mitigation measures put in place by the agencies and LGUs in anticipation of the adverse effect of El Niño has moderated the projected loss of the sector.

The subsequent sections include a more in-depth discussion of these performance levels.

A GLANCE AT CAGAYAN VALLEY'S ECONOMY IN CY 2015

Macroeconomy

- Inflation rate at 2.0%
- Employment rate at 96.8%
- Unemployment rate at 3.2%
- Underemployment rate at 11.1%

Agriculture and Fishery Sector

- Palay production down by 1.01%
- Corn production down by 2.99%
- Fruit production up by 1.07%
- Vegetable and root crop production up by 31.75%
- Non-food and industrial commercial crops production up by 2.47%
- Livestock production up by 0.7%
- Poultry production up by 2.7%
- Fishery production down by 6.31%

Industry and Services Sector

- BNR investments up by 1.08%
- Motor vehicle registration up by 20.01%
- Tourist arrivals up by 9.46%
- Gross tourist receipts up by 8.69%
- New construction projects down by 1.22%

MACROECONOMY

Inflation

The region's full year inflation eased to 2.0 percent in CY 2015, two percentage points lower compared to the previous year. The cheaper price of oil and stable food commodity prices mainly kept the inflation subdued for the year.

Overall inflation of food commodities was slower at 2.6 percent this year, from 6.3 percent in CY 2014. In particular, rice index notably slowed down to 3.6% from last year's 12.0% inflation resulting from supply shortage during that period. Vegetables also significantly eased to –0.8% this year from last year's 7.4% hike brought about by the spike in prices of spices such as garlic, onion and ginger. Slower annual hikes were posted by other food commodities such as Meat (from 3.5% to 0.1%), and Oils and Fats (from 8.9% to 2.2%). On the other hand, some food commodities posted faster inflation this year led by Fruits (from 3.8% to 8.6%) ascribed to higher prices of fruits such as mango and pineapple during its off-season; Corn (from –0.1% to 3.6%) due to decreased production during second and fourth quarter of the year; and Sugar, Jam, Honey, Chocolate and Confectionery (from 5.6% to 6.8%) attributed to the rise in sugar price due to increased demand during the summer season. Sugar prices was also affected by the imposition of value added tax (VAT) on raw sugar which started May 1, 2015.

Inflation of non-food commodity group likewise slowed down from last year's 1.8 percent to 1.0 percent. Mainly contributing to the deceleration was Housing, Water, Electricity, Gas and Other Fuels, wherein inflation stood at 0.5 percent or a decrease of 1.8 percentage points from CY 2014 due to the drop in the price of fuel in the world market.

Price index of Alcoholic Beverages and Tobacco increased by 7.0 percent this year, higher by 1.8 percentage points from CY 2014. The acceleration was attributed to the continuing implementation of the sin tax law which started in January 2013.

Table 1. Inflation Rate by Commodity Group (2006 Base Year), Region 2, CY 2014 and CY 2015

Commodity Group	CY 2014	CY 2015
All Items	**4.0%**	**2.0%**
I. Food and Non-Alcoholic Beverages	**6.0%**	**2.6%**
Food	6.3%	2.6%
Rice	12.0%	3.6%
Corn	-0.1%	3.6%
Other Cereals, Flour, Cereal Preparation, Bread, Pasta and Other Bakery Products	no data	1.6%
Meat	3.5%	0.1%
Fish	3.4%	4.4%
Milk, Cheese and Eggs	2.4%	3.5%
Oils and Fats	8.9%	2.2%
Fruits	3.8%	8.6%
Vegetables	7.4%	-0.8%
Sugar, Jam, Honey, Chocolate and Confectionery	5.6%	6.8%
Food Products N.E.C	5.9%	5.8%
Non-Alcoholic Beverages	0.2%	2.7%
II. Alcoholic Beverages and Tobacco	**5.2%**	**7.0%**
III. Non-Food	**1.8%**	**1.0%**
Clothing and Footwear	2.1%	2.1%
Housing, Water, Electricity, Gas, and Other Fuels	2.7%	0.5%
Furnishings, Household Equipment and Routine Maintenance of the House	1.6%	1.3%
Health	2.1%	1.8%
Transport	0.6%	1.3%
Communication	-0.1%	-1.1%
Recreation and Culture	0.9%	0.6%
Education	2.7%	1.3%
Restaurants and Miscellaneous Goods and Services	1.1%	1.5%

Source: PSA RSSO 2

Employment

Based on the four rounds of the Labor Force Survey of the Philippine Statistics Authority (January, April, July and October) , the region exhibited improvements in its employment situation in CY 2015.

The region's "15 years old and over" population went up by 1.35 percent from 2.301 million in the previous year. Out of the total working age population, about 1.562 million belonged to the active workforce which increased by 20 thousand from last year. This figure corresponded to a labor force participation rate of 67.0 percent, which remained unchanged from last year.

With the increase in labor force, employment level likewise grew to 1.512 million or 1.82 percent more compared to last year's level of 1.485 million. This translated to the rise in employment rate from 96.3 percent to 96.8 percent. Main contributors to the improved employment were the increased activities in the agriculture sector and the sustained expansion of businesses in the region such as the manufacturing, trading and services sectors. Mirroring the increase employment was the improvement of the unemployment rate from 3.6 percent last year to 3.2 percent in CY 2015. In absolute figures, unemployed persons declined to 50 thousand, lower by 10.71 percent compared to the preceding year.

Better quality of jobs were also noted during the reference period as indicated by the decline in the region's underemployment rate. For the year, underemployment rate was lower at 11.1 percent compared to last year's 11.6 percent. In absolute level, the number of underemployed persons decreased by 4.31 percent or about 4 thousand compared to the 172 thousand underemployed in previous year. Underemployed population is defined as those employed population who expressed desire to have additional work hours in their present job or to have an additional job, or a new job with longer working hours.

Table 2. Selected Employment Indicators, Region 2, CY 2014 and CY 2015

	CY 2014	CY 2015
Working age population (in '000)	2,301	2,332
Labor force population (in '000)	1,542	1,562
Labor Force Participation Rate	67.0%	67.0%
Employed (in '000)	1,485	1,512
Employment Rate	96.3%	96.8%
Unemployed (in '000)	56	50
Unemployment Rate	3.6%	3.2%
Underemployed (in '000)	172	168
Underemployment Rate	11.6%	11.1%

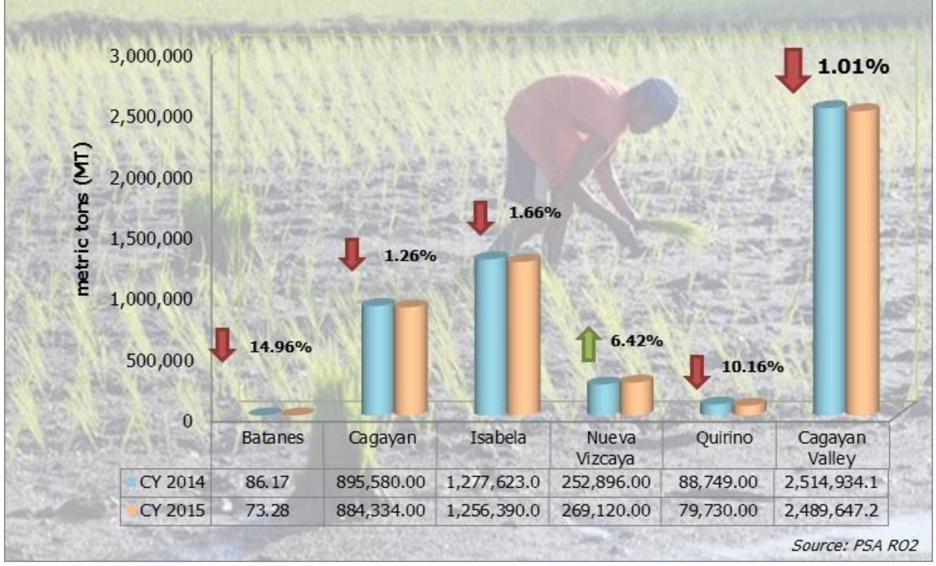
Source: PSA RSSO 2

Note: Data for annual estimates are computed based on the average of the four rounds of Labor Force Survey (January, April, July, October)

AGRICULTURE AND FISHERY

Palay

Figure 1. Palay Production (in MT), Region 2, CY 2014 and 2015



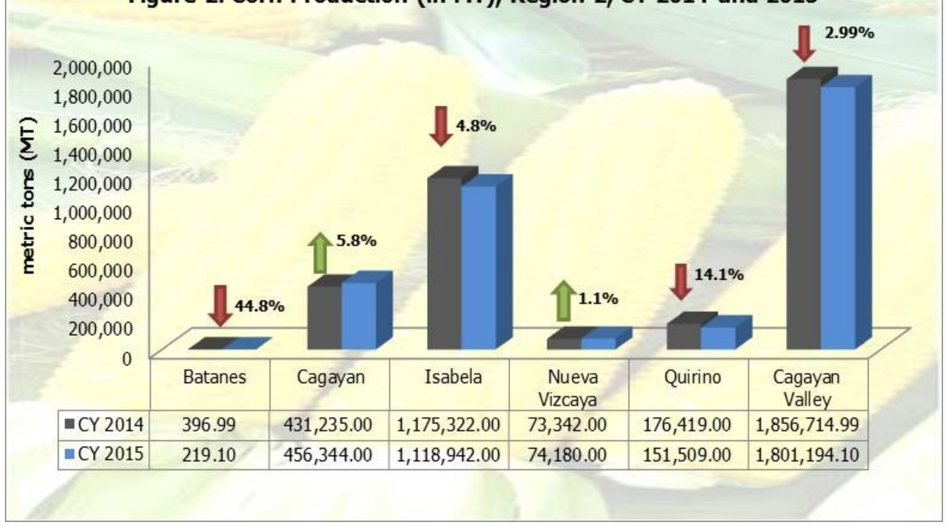
	Batanes	Cagayan	Isabela	Nueva Vizcaya	Quirino	Cagayan Valley
CY 2014	86.17	895,580.00	1,277,623.0	252,896.00	88,749.00	2,514,934.1
CY 2015	73.28	884,334.00	1,256,390.0	269,120.00	79,730.00	2,489,647.2

Production of palay for CY 2015 weakened at 2.49 million metric tons (MT), reflecting a 1.01 percent reduction compared to last year. This is due to the contraction in area harvested by 7,541 hectares brought about by the damages of typhoons Ineng and Lando particularly for irrigated areas. In addition, some rainfed areas were left in-fallow in Cagayan and Isabela due to insufficient rainfall during planting time. The unfavorable weather condition likewise hindered substantial improvement in productivity as yield remained flat at 4.26 MT per hectare. Nonetheless, Region 2 retained its rank as the second top producer of the country making up 13.7 percent of the national output of 18.15 million MT for the year.

Among the provinces, only the province of Nueva Vizcaya recorded an output gain of 6.42 percent ascribed to the expansion of area harvested to 60,466 hectares (from 55,954 hectares). In contrast, Batanes and Quirino posted the biggest declines of 14.96 percent and 10.16 percent while Isabela and Cagayan provinces recorded minimal decreases of 1.66 percent and 1.26 percent, respectively.

Corn

Figure 2. Corn Production (in MT), Region 2, CY 2014 and 2015



	Batanes	Cagayan	Isabela	Nueva Vizcaya	Quirino	Cagayan Valley
CY 2014	396.99	431,235.00	1,175,322.00	73,342.00	176,419.00	1,856,714.99
CY 2015	219.10	456,344.00	1,118,942.00	74,180.00	151,509.00	1,801,194.10

Regional production of corn for CY 2015 posted a decrease of 2.99 percent over CY 2014 level of 1.857 million metric tons (MT). This is a reflection of the decrease of area harvested by 2.69 percent and yield by 0.31 percent. Nonetheless, the region remained the top contributor to the national corn output for the year at 7.52 million MT.

Harvest area decreased by 11,764 hectares (has.) or 2.69 percent after imputing damages from several calamities in 2015 (dry spell, TS Egay, Ineng, Lando). Further contributing to the reduction was the crop shifting to cassava, tobacco and sugarcane.

In terms of productivity, the average yield almost remained unchanged at 4.23 MT/ha. The exposure to calamities and insufficient soil moisture during growing stage negated the expected improvements from the utilization of hybrid and open-pollinated varieties of seeds.

Across the provinces, Cagayan and Nueva Vizcaya managed to post increases in production by 5.82 percent and 1.14 percent, respectively. Yield in Cagayan went up to 4.10 MT/ha from 3.89 MT/ha ascribed to use of climate-resilient variety of seeds. In Nueva Vizcaya, productivity likewise improved to 4.44 MT/ha from 4.37 MT/ha. On the other hand, the remaining provinces recorded output decrements as a result in contraction of area harvested coupled with yield losses.

Other Crops

Production of other crops was generally on the uptrend during the year in review.

Overall production of fruits inched up by 1.07 percent over previous year's output of 509,381 metric tons. On major crops subsector, improved production came from banana, calamansi and pineapple. Banana boosted its production to 384,134 MT (2.06%) as bigger and more fruits were produced during the first semester rebounding from the loss posted in 2014 due to typhoon damages. In the case of pineapple, bigger fruits developed ascribed to better weather condition increased production by 3.8 percent. On calamansi, the output gain of 5.64 percent was attributed to the additional bearing trees and bigger fruits produced. Priority fruit crops, except for balimbing and papaya, posted increments in production. Recovery from calamities in 2014 and increased harvest of Bt-crops paved way to higher production of durian, lanzones, rambutan and tamarind especially during the first semester of the reference year. Watermelon also showed a 4.49 percent rise in production after the expansion in area harvested in Isabela due to increased use of hybrid seeds and in Cagayan due to the favorable price of watermelon.

The biggest gainer in CY 2015 were vegetable and root crops which recorded a significant production increment of 31.75 percent from last year's 327,857 MT. The surge in the production was largely ascribed to substantial gain of 76.7 percent in cassava output as the sustained demand from feed millers such as the San Miguel Corporation encouraged more plantings and expansion of production areas. Other crops which yielded positive growth in output this year were mongo (15.2%), cabbage (29.3%), peanut (6.7%), and eggplant (5.7%). Reasons cited for their favorable performances were: intensified seed distribution from Department of Agriculture (DA) and local government units (mongo and eggplant); introduction of new varieties, increased area harvested and technical assistance from DA-Cagayan Valley Research Center (peanut); and increase in area planted/harvested (cabbage).

Continuation on page 6

Table 3. Production Estimates for Other Crops (in MT), Region 2 CY 2014 and CY 2015

Commodity	CY 2014	CY 2015
Fruits	**509,381**	**514,829**
Major	*470,528*	*476,428*
Banana	376,366	384,134
Calamansi	6,628	7,002
Mango	53,691	50,163
Pineapple	33,842	35,129
*Priority**	*17,675*	*18,289*
Others	*21,179*	*20,113*
Vegetables and Root	**327,857**	**431,947**
Major	*194,294*	*300,949*
Mongo	7,164	8,252
Peanut	3,644	3,887
Cabbage	1,189	1,537
Eggplant	19,723	20,843
Tomato	9,903	10,389
Garlic	618	641
Onion	7,628	7,019
Camote	8,558	8,276
Cassava	135,867	240,105
*Priority**	*114,551*	*113,148*
Others	*19,011*	*17,850*

Source: PSA RSSO 2

*Note: * Please see Annex: Table 9 for the preliminary production estimates of crops included in the Priority subgroups*

Continuation

Preliminary production estimates of non-food and industrial commercial (NFIC) crops likewise increased by 2.47 percent compared to the previous year. Both major and priority subsectors posted 1.99 percent and 6.4 percent output increments respectively. For major crops, the growth was accounted for by the good performance of coconut and sugarcane. The favorable weather allowed for more nuts developed in Cagayan and Quirino while the early operation of Cagayan Robina Sugar Milling Company prompted early harvesting of sugarcane in Cagayan. On priority crops, the growing demand for rice hay for organic farming and industrial purposes in Isabela and demand on cornstalk for animal feeds in Cagayan greatly contributed to positive production on this sub-sector. In addition, positive output was also noted from cacao due to additional bearing trees harvested.

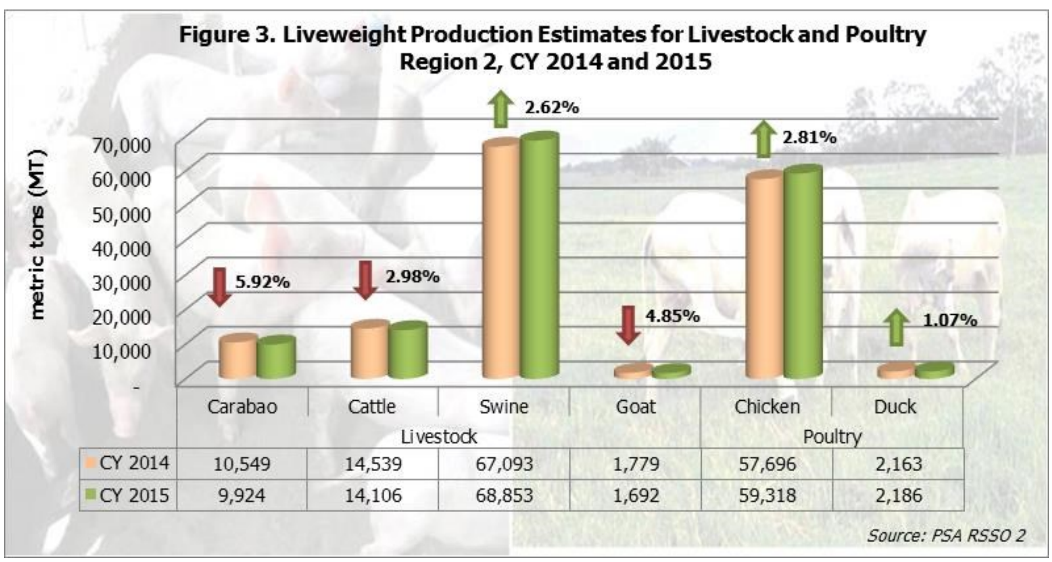
Table 3. Production Estimates for Other Crops (in MT) Region 2, CY 2014 and CY 2015

Commodity	CY 2014	CY 2015
Non-Food and Industrial Commercial (NFIC) Crops	**753,535**	**772,180**
Major	*660,161*	*673,297*
Coconut with husk	74,372	77,118
Coffee (dried beans with pulp)	744	743
Sugarcane (cane)	569,077	583,808
Tobacco (dried leaves	15,968	11,627
*Priority**	*86,711*	*92,259*
Others	*6,662*	*6,624*

Source: PSA RSSO 2

*Note: * Please see Annex: Table 9 for the production estimates of crops included in the Priority subgroup*

Livestock and Poultry



Liveweight production estimates for livestock animals were on downward trend during the reference year with the exception of swine, wherein production increased by 2.62 percent. The improvement in swine output was ascribed to more and bigger sizes of animals slaughtered amid the increased demand from consumers. On the other hand, carabao posted the biggest production decline of 5.92 percent due to limited stocks available for slaughter. Liveweight production of goat and cattle went down by 4.85 percent and 2.98 percent, respectively. The weak demand for goat and cattle due to consumers shifting to pork, limited stocks for slaughter and smaller sizes of animals disposed were among the reasons cited for the reduction in output.

On poultry, both chicken and duck recorded increments in production by 2.81 percent and 1.07 percent, respectively. Broiler chicken improved due to the opening of new farms and rehabilitation of existing farms in Isabela. Native chicken similarly increased as bigger sizes were disposed as a result of improved feeding and favorable weather. The output gain of duck was attributed to the availability of stock for disposal.

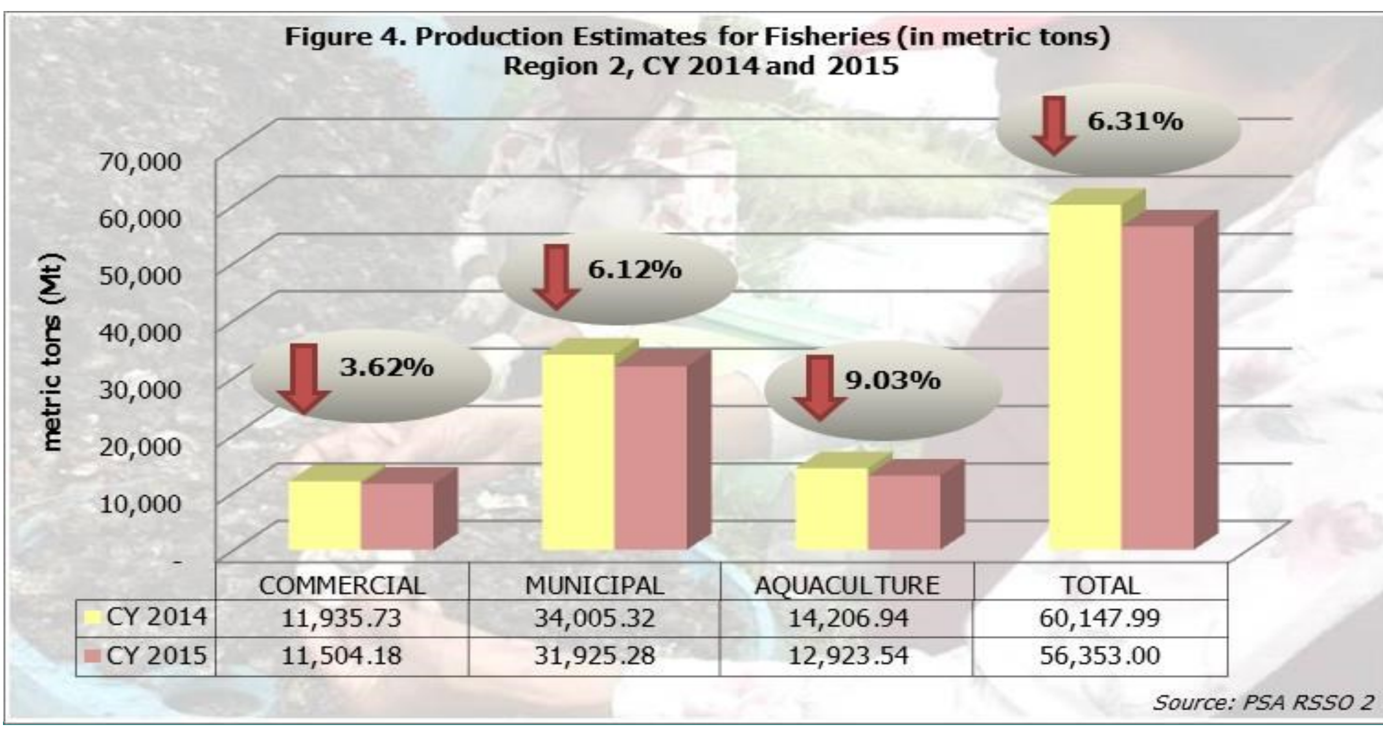
Fisheries

Fishery sector suffered continued production loss in CY 2015 following the 2.8 percent decline registered last year. Overall production estimate stood at 53,353 metric tons (MT), representing a 6.31 percent drop from last year's figure of 60,148 MT. All subsectors posted reduction led by aquaculture, followed by municipal and commercial fisheries.

Production from commercial fishing went down by 3.62 percent to 11,504.18 MT as a result of dry docking of some commercial fishing boats and the strict implementation of local ordinance in the municipality of Aparri, Cagayan limiting fishing operations to five days every month per boat for vessels catching acetes ("alamang"). As a consequence, total acetes production for the year drastically decreased to 283.84 MT from last year's 957.72 MT.

Municipal fishing subsector reported a 6.12 percent decline in output for the year. Marine municipal fisheries production decreased by 1.09 percent on the account of lesser fishing efforts due to rough seas and cold weather in Cagayan and Isabela. The on-going rehabilitation/repair of roads and construction of infrastructure projects in Batanes encouraged some marginal fishermen to work in construction for sure income, which further contributed to the production cut. Output from inland municipal fishing, likewise, dropped by 14.83 percent ascribed to lesser fishing days due to the cold weather, drying up of some communal bodies of water, smaller sizes of harvest, lesser catch on eel and shifting to farming by some fishermen.

Gross aquaculture production only reached 12,923.54 MT, representing a negative growth rate of 9.03 percent. The cutback in output was a consequence of the suspension of operations due to limited available fingerlings and insufficient water supply during seeding period.



Farmgate Prices of Selected Agricultural Commodities

Palay farmgate price decreased to PhP17.12 per kilogram in CY 2015, reflecting a 19.93 percent drop from last year. The decline in price was brought about by the abundant stocks held in warehouses of traders in Nueva Vizcaya and inferior quality traded in Cagayan and Quirino. Prices of yellow and white matured corn went down by 3.78 percent and 5.51 percent, respectively, attributed to the inferior quality of produce traded due to the exposure to calamities.

Most of vegetables, root crops and condiments commanded higher prices for the period. Among those which posted double-digit percent increment in prices were tomato, sweet potato, garlic, onion (red shallot, native), dry peanut with shell, ampalaya, chayote, pechay native, pepper finger, and squash. The reasons cited for the price increases were the sustained demand from local traders and viajeros, decrease in production, and good quality of produce.

On fruit commodities, banana (bungulan and lakatan), calamansi and papaya (Hawaiian) managed to hike their prices because of sustained demand from buyers within and outside the region. Prices of pineapple also recorded an increment of 16.29 percent attributed to the limited supply as a result of the decrease in production particularly during the first half of the year. The increase in prices of both young and matured coconut was driven by the sustained buying interest from local and outside buyers.

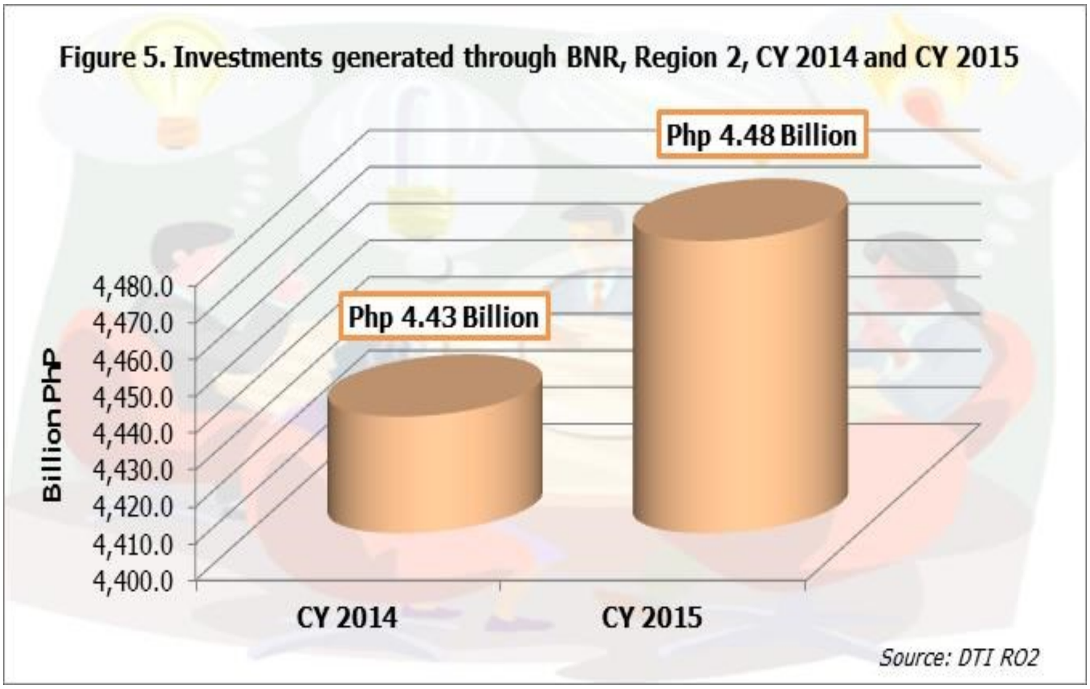
On livestock and poultry, goat and duck eggs registered price hikes of 2.07 percent and 6.31 percent, respectively, due to increased demand from consumers/assemblers and viajeros and limited production. Prices of the other commodities under the livestock and poultry decreased ascribed to lesser demand from consumers.

Table 4. Average Farmgate Prices, Region 2 CY 2014 and CY 2015

Commodity/ Average Price (Peso per Kilogram)	CY 2014	CY 2015
Cereals		
Palay, Dry	21.38	17.12
Corn matured, white	11.97	11.31
Corn matured, yellow	12.43	11.96
Vegetables, Root Crops and Condiments		
Tomato	10.34	15.97
Eggplant long, purple	18.89	20.07
Cabbage	13.89	12.55
Cassava fresh tubers	4.71	4.55
Sweet Potato	10.58	13.00
Garlic	61.76	84.97
Peanut w/ shell, dry	35.68	39.71
Mongo, green labo	59.00	58.56
Ampalaya	22.94	30.21
Chayote	5.61	8.35
Pechay native	15.91	17.90
Pepper finger (panigang)	26.84	42.20
Squash	8.74	11.01
String beans (long)	20.18	22.04
Fruits and Nonfood, Industrial and Commercial Crops		
Banana green, bungulan	7.27	10.17
Banana green, lakatan	21.05	21.32
Banana green, latundan	13.83	13.52
Banana green, saba	9.15	8.81
Pineapple, Hawaiian	12.46	14.49
Calamansi	23.45	21.37
Papaya, Hawaiian	9.92	11.22
Coconut young	4.59	5.36
Coconut matured	7.67	8.31
Livestock and Poultry		
Carabao for slaughter	88.95	88.87
Cattle for slaughter	89.21	88.78
Hog for slaughter	116.57	109.33
Goat for slaughter	136.58	139.41
Duck for meat, backyard	129.53	127.07
Duck egg, commercial	5.39	5.73

Source: PSA Region 2

INVESTMENTS



DTI's Business Name Registration (BNR) posted sustained growth in CY 2015. The number of firms registered increased to 13,283, higher by 3.51 percent against the previous year's 12,833 firms registered. All provinces except for Cagayan recorded gains for the year led by Batanes with 21.19 percent, followed by Quirino (11.87%), Isabela (4.89%) and Nueva Vizcaya (2.12%). Across industry groups, registered firms involved in manufacturing, trading and services sectors all recorded increments ranging from 2 precent to 6 percent. In constrast, the number of construction and agri-based production businesses were lower by 54.87 percent and 38.13 percent, respectively.

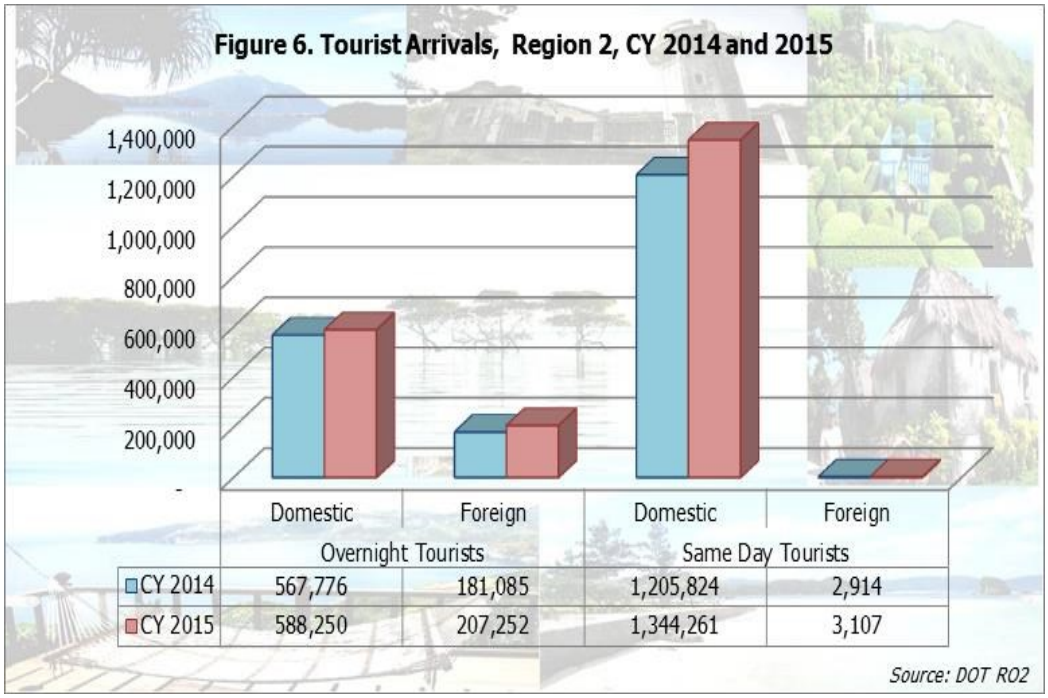
Consequently, total investments generated from the BNR increased to PhP 4.48 Billion for the year. The 1.08 percent increment from the PhP4.43 Billion investments generated last year was attributed to the strong growth recorded in the investments across the services (+23.26%), trading (+15.15%) and manufacturing (+8.85%) sectors. The lower investments from the agri-based production sector was due to the fewer registered firms for the period. The decline in the investment from the construction sector was mainly attributed to the decreased investment from Quirino, which slid by 79.92 percent, following the huge capital investment of the lone construction business registered in CY 2014 amounting to PhP560 Million.

From the firms registered for the reference period, employment generation is expected to sum up to 29,789 jobs, reflecting a 14.28 percent gain from last year's figure. Projected new employment from the manufacturing, trading and services sectors is expected to rise considerably while that in the agri-based production and construction sectors will be moderate.

The sustained gains in the region's investments is a manifestation of the intensified provision of technical assistance (Skills trainings, Shared Service Facilities, SME Roving Academy, Trade Fairs, Negosyo Center) of the Department of Trade and Industry Regional Office 2 (DTI RO2) to the micro, small and medium enterprise (MSME) sector. Furthermore, the intensive promotion and campaign activities of DTI RO2 and other agencies led to the increased participation of entrepreneurs in international, local and trade fairs.

TOURISM

The tourism industry continues to manifest its effect to the regional economy as tourist arrivals and receipts sustained its positive growth in CY 2015. Aggregate visitor arrivals, both overnight and same day, reached 2.14 million during the year, reporting a 9.46 percent growth compared to the last year's figure of 1.96 million arrivals.



The improvement in overnight tourist arrivals was led by the 14.45 percent rise in the influx of foreign visitors at 207,252. The top foreign markets for the year were China, Taiwan and US with a combined 92.65 percent share to the total foreign tourist arrivals. Foreign same day visitor arrivals likewise managed to increase to 3,107, surpassing the previous year's arrivals of 2,914.

The region has been benefitting from the vibrant domestic tourism in the country. Overall domestic tourists (overnight and same day) stood at 1.93 million accounting for about 90 percent of the total tourist arrivals.

Consistent with the increase in tourist arrivals, full-year revenues grew by 8.69 percent, as spending derived from the 2.14 million tourists summed up to PhP2.799 Billion from the PhP2.576 Billion revenue for the same period last year. Revenue from overnight visitors increased by 7.33 percent to PhP1.856 Billion while expenditure of same day visitors reached PhP 943.16 Million, posting an increment of 11.47 percent from the previous year.

The positive accomplishments of the tourism sector were attributed to the continuous improvement of access and connectivity to the region's tourist attractions made possible by the strengthened convergence of the Department of Tourism with the other government agencies, local government units and the private sectors. The development, enhancement and marketing of diversified tourism products and activities in region coupled with the sustained marketing and promotional programs of DOT have been instrumental in the improvement of the sector. Moreover, the accreditation of primary and secondary tourism related establishments and enhancement of manpower skills was further intensified for the continuous development of the sector.

DEVELOPMENT FINANCING

In terms of credit activity in the region, data from the Development Bank of the Philippines (DBP) Regional Marketing Center-Northeastern Luzon revealed an increase of 35.72 percent in the outstanding loans of the region from PhP1.35 Billion as of end-2014 to PhP1.84 Billion as of end of 2015. Outstanding loans extended to the province of Isabela amounting to Php1.03 Billion shared 56.2 percent to the total outstanding loans followed by Cagayan at Php678.91 Million (about 36.9 percent) and Nueva Vizcaya at Php126.36 Million (about 6.9 percent). Improvement in bank lending in Isabela and Nueva Vizcaya were observed at 83.9 percent and 12.5 percent growth, respectively, while a minimal drop of 0.2 percent was noted in Cagayan.

By type of industry, loans for non agri-agra loans comprised the bank's aggregate loan portfolio. Loans to LGUs shared about 41.5 percent; GOCCs at 1.3 percent and the remaining bulk were loans for other purposes such as loans to individuals, private corporations and SMEs. Moreover, zero outstanding loans for agri-agra loans were recorded for the year.

Meanwhile, based on the data from Land Bank of the Philippines (LBP)–Cagayan Lending Center, aggregate outstanding loans in Cagayan and Batanes stood at PhP2.22 Billion as of end-2015, higher by 36.96 percent compared to last year. Zero outstanding loans for non agri-agra sector were recorded for the year. Significant increments were posted for the following types of loans: large enterprise (+111.1%); easy home loans (+147.5%); loans to SMEs (+23.6%); loans to LGUs (+3.2%); and loans to small farmers and fisherfolks (+1.7%).

Government financing institutions such as the DBP and LBP play an important role in providing banking services to local governments, private corporations and SMES in the agricultural and industrial sectors especially those in the countryside.

TRANSPORT AND COMMUNICATION

Land Transport

Motor vehicle registration for the year reached a total of 447,352. The number of vehicles registered went up by 20.01 percent from last year's 372,754 vehicles registered. The continued growth in the registration of motorcycles and tricycles likewise pushed for the overall gain in the motor vehicle registration. Motorcycles and tricycles, which is the predominant mode of transport in the region, posted an additional increase of 67,021 units or 23.93 percent more than the previous year. The increase was attributed to the public's preference for vehicles with lesser fuel consumption. The other types of motor vehicles likewise had increases in registration with sport utility vehicles (15.34) and cars (12.95%) posting the biggest increments. The increasing number of lending institutions and the affordable financial schemes (low amortization, affordable down payments and relatively lower interest rates) have encouraged purchase of motor vehicles.

Figure 8. Motor Vehicle Registration, Region 2, CY 2014 and 2015

Source: LTO RO2

Land Transport

Licenses and permits issued from January to December 2015 at 186,348 was 7.1 percent more than the preceding year's figure. All types of licenses/permits posted increments, sans conductor's license, led by non-professional (21.7%), followed by professional licenses (6.5%) and student permit (2.2%).

With the increases in the motor vehicle registration and license/permit issuance, the region was able to generate a total of PhP805.06 Million revenues during the whole year of 2015. This represented a 22.77 percent gain or nearly PhP150 Million additional revenues from last year's figure.

Telecommunications

Cell sites established in the region by the major mobile communication service providers (Smart Communications, Globe Telecom and Sun Cellular) reached a total of 707 in CY 2015. This was an improvement of 18.62 percent from last year's 596 cell sites. Smart Communications and Globe Telecoms added 76 and 35 cell sites, respectively, while Sun Cellular's cell sites remained at 126.

The year CY 2015 likewise saw a sustained growth of 8.54 percent in the service channels, which totaled to 4,944. Similar with the number of cell sites, Smart Communications largely accounted for the increase as it added about 478 channels to its existing 2,145 channels in the previous year. Globe Telecom's channels posted a slight increment of 1.72 percent from last year's 930 channels.

MINING AND QUARRYING

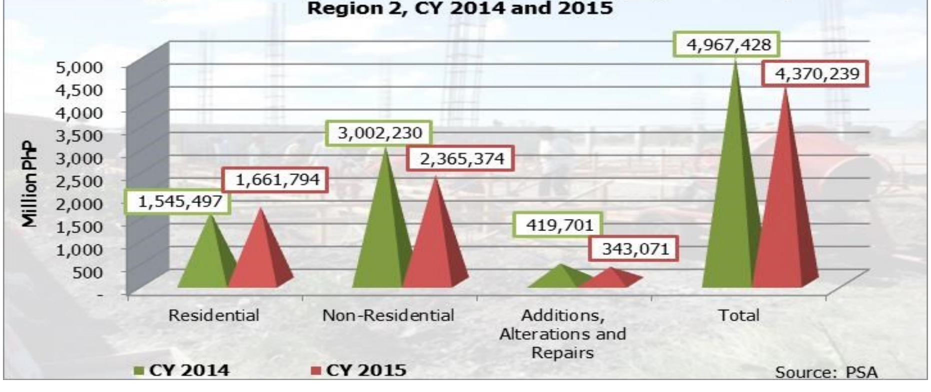
Quarrying production was generally on the downtrend in CY 2015. Sand and gravel production declined to 1.607 million cubic meters, 6.49 percent lesser as against last year's output of 1.718 million cubic meters. Pure sand output also decreased to 242,705 cubic meters, lower by 8.87 percent from last year's 266,316 cubic meters. The decline in production was mainly due to the relatively lesser construction activities in the region during the year.

For the year, zero production of magnetite sand was recorded due to the cancellation order issued to holders of Mineral Processing Permit since the third quarter of CY 2014. This was nonetheless a welcome development as this curbs the environmental effects of "black sand" mining of the region. Copper concentrates, produced by Oceana Gold Philippines Incorporated in Nueva Vizcaya, yielded a total output of 52,235 metric tons, lower by 26.73 percent from last year's output of 71,291 metric tons.

CONSTRUCTION

Number of construction projects in the region for the year decreased to 3,306, lower by 1.22 percent as against the figure in 2014. Residential and non-residential projects fell by 6.36 percent (to 2,341 projects) and 1.97 percent (to 546 projects), respectively, while, in contrast, the recorded 419 projects on addition, alterations and repair were 129 more than last year's 290 projects.

Figure 7. Value of Construction Projects By Type (in PhP'000) Region 2, CY 2014 and 2015



Source: PSA

The decline in the reported number of projects translated to a cut in the value of constructions. For the period, value of the projects stood at PhP4.37 Billion, representing a 12.02 percent reduction from the previous year's value of PhP4.97 Billion. The smaller area of the construction projects, particularly for non -residential projects, contributed to the decline in the gross value of construction.

DEVELOPMENT PROSPECTS

Below are the following factors and interventions which are expected to affect the growth and development of the region in the succeeding years:

- The region, most particularly its agriculture sector, is expected to be adversely affected by the occurrence of strong El Niño which intensified starting September 2015 and is projected to persist until June of CY 2016. Intensified implementation of mitigation and adaptation measures of the Department of Agriculture (DA), Bureau of Fisheries and Aquatic Resources (BFAR) and other agencies and local government units must be put in place to cushion the negative impacts of this climate variability.

- The possible reduction in the agricultural production caused by the El Niño phenomenon could result to higher prices of food commodities particularly rice, vegetables, meat and poultry products and would put upward pressures to inflation. Hence, prices and supply of goods and services must be strictly monitored. On the other hand, the drop in the world market price of oil, which could lead to a lower production cost, could temper the anticipated price increase brought about by El Niño.

- The implementation of various projects of the region under DA's Philippine Rural Development Program (PRDP) is expected to improve the agriculture sector's competitiveness. Some of the projects include production of dairy products, peanuts, seaweeds and mangoes in Cagayan; livestock and animal production, mangoes and mung beans in Isabela; and coffee, banana and corn starch in Quirino. The PRDP aims to establish a platform of inclusive value-oriented and climate resilient agricultural and fishery sector which is expected to address low income, low productivity and low resiliency to climate change and related disasters in the region.

- The outlook for the industry and services sectors in the first quarter of CY 2016 is seen to be affected by the seasonal slack in demand during the quarter, particularly in the agriculture sector, and uncertainties over the outcome of the coming election.

- The completion of the projects under the CY 2014 and CY 2015 DOT-DPWH Convergence program, which involves the construction of eleven (11) and thirteen (13) road projects, respectively, will attract more tourists to the region and eventually trigger increased economic activities in the region.

- The completion of major infrastructure projects such as the Dalton Pass Section Eastern Alternate Route in Nueva Vizcaya is expected to ease mobility and accessibility of people goods and services and will significantly reduce travel time to and from Region 02. These projects will also play major role in enhancing the interplay of agricultural, industrial and tourism growth among the neighboring regions.

- The merger of the Development Bank of the Philippines (DBP) and the Land Bank of the Philippines (LBP) is expected to provide greater lending capacity for the surviving bank, which will be essential in funding big-ticket infrastructure projects. Furthermore, with the consolidation of the banks, more underserved and unbanked areas will be reached and given access to financial services.

Annex: Tables for the CY 2015 Annual Regional Economic Situationer

Table 1. Consumer Price Index (CPI) and Inflation Rate by Commodity Group (2006 Base Year) Region 2, CY 2013 to CY 2015

COMMODITY GROUP	Consumer Price Index			Inflation Rate	
	CY 2013	CY 2014	CY 2015	CY 2014	CY 2015
ALL ITEMS	135.6	141.1	143.9	4.0%	2.0%
I. FOOD AND NON-ALCOHOLIC BEVERAGES	145.1	153.7	157.8	6.0%	2.6%
* Food	146.7	155.9	160.0	6.3%	2.6%
Bread and Cereals	152.7	167.8	173.2	9.9%	3.2%
Rice	155.1	173.7	179.9	12.0%	3.6%
Corn	129.1	129.0	133.6	-0.1%	3.6%
Other Cereals, Flour, Cereal Preparation, Bread, Pasta and Other Bakery Products	no data	149.4	151.9	no data	1.6%
Meat	134.4	139.1	139.3	3.5%	0.1%
Fish	146.1	151.1	157.8	3.4%	4.4%
Milk, Cheese and Eggs	132.3	135.4	140.1	2.4%	3.5%
Oils and Fats	136.2	148.4	151.7	8.9%	2.2%
Fruits	164.7	171.0	185.6	3.8%	8.6%
Vegetables	166.3	178.5	177.1	7.4%	-0.8%
Sugar, Jam, Honey, Chocolate and Confectionery	122.9	129.7	138.5	5.6%	6.8%
Food Products N.E.C.	142.7	151.1	160.0	5.9%	5.8%
* Non-alcoholic Beverages	120.9	121.1	124.4	0.2%	2.7%
II. ALCOHOLIC BEVERAGES AND TOBACCO	174.5	183.5	196.3	5.2%	7.0%
Alcoholic Beverages	134.0	139.7	144.3	4.3%	3.3%
Tobacco	219.7	232.3	254.2	5.8%	9.4%
NON-FOOD	124.9	127.2	128.5	1.8%	1.0%
III. CLOTHING AND FOOTWEAR	120.9	123.4	126.0	2.1%	2.1%
Clothing	120.3	123.3	126.3	2.5%	2.4%
Footwear	122.2	123.7	125.3	1.2%	1.3%
IV. HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	127.1	130.5	131.1	2.7%	0.5%
Actual Rentals for Housing	116.2	120.1	125.7	3.3%	4.7%
Maintenance and Repair of the Dwelling	130.6	133.3	135.9	2.1%	2.0%
Water Supply and Miscellaneous Services Relating to the Dwelling	115.4	117.1	120.4	1.5%	2.8%
Electricity, Gas and Other Fuels	142.3	145.1	138.5	2.0%	-4.6%
V. FURNISHINGS, HOUSEHOLD EQUIPMENT AND ROUTINE MAINTENANCE OF THE HOUSE	123.4	125.4	127.0	1.6%	1.3%
Furniture and Furnishings, Carpets and Other Floor Coverings	105.3	105.4	105.6	0.1%	0.2%
Household Textiles	109.4	110.2	112.1	0.7%	1.8%
Household Appliances	105.1	106.7	107.0	1.5%	0.3%
Glassware, Tableware and Household Utensils	119.3	120.2	121.4	0.7%	1.1%
Tools and Equipment for House and Garden	121.6	122.8	125.3	1.0%	2.0%
Goods and Services for Routine Household Maintenance	130.4	132.9	135.0	1.9%	1.6%

COMMODITY GROUP	Consumer Price Index			Inflation Rate	
	CY 2013	CY 2014	CY 2015	CY 2014	CY 2015
VI. HEALTH	128.4	131.1	133.5	2.1%	1.8%
Medical Products, Appliances and Equipment	120.1	121.9	123.6	1.5%	1.4%
Out-patient Services	122.4	124.1	126.7	1.4%	2.1%
Hospital Services	156.3	162.4	165.9	3.9%	2.2%
VII. TRANSPORT	136.5	137.3	139.1	0.6%	1.3%
Operation of Personal Transport Equipment	126.1	128.3	117.8	1.7%	-8.2%
Transport Services	139.5	139.9	145.3	0.3%	3.8%
VIII. COMMUNICATION	89.2	89.1	88.1	-0.1%	-1.1%
Postal Services	135.5	140.5	140.5	3.7%	0.0%
Telephone and Telefax Equipment	49.6	49.0	44.8	-1.3%	-8.4%
Telephone and Telefax Services	102.4	102.5	102.6	0.1%	0.1%
IX. RECREATION AND CULTURE	100.1	101.0	101.6	0.9%	0.6%
Audio-visual, Photographic and Information Processing Equipment	88.0	88.4	88.5	0.5%	0.2%
Other Recreational Items and Equipment, Gardens and Pets	104.6	105.3	105.9	0.7%	0.5%
Recreational and Cultural Services	114.1	116.2	118.5	1.8%	2.0%
Newspapers, Books and Stationery	115.1	116.5	117.3	1.2%	0.6%
X. EDUCATION	129.5	133.0	134.7	2.7%	1.3%
Pre-primary and Primary Education	146.5	154.9	157.7	5.7%	1.8%
Secondary Education	132.4	134.9	136.5	1.8%	1.2%
Tertiary Education	117.4	118.0	119.1	0.5%	0.9%
XI. RESTAURANTS AND MISCELLANEOUS GOODS AND SERVICES	121.9	123.2	125.1	1.1%	1.5%
Catering Services	124.9	126.1	128.2	1.0%	1.6%
Personal Care	117.2	118.6	120.3	1.2%	1.4%
Personal Effects N.E.C.	128.7	132.1	133.6	2.6%	1.2%

Source: PSA RSSO 2

Table 2. Selected Employment Indicators, Region 2
CY 2014 and CY 2015

Indicator		CY 2014	CY 2015
Household Population 15 Years Old and Over	Number ('000)	2,301	2,332
Labor Force Participation	Number ('000)	1,542	1,562
	Rate (%)	67.0	67.0
Employment	Number ('000)	1,485	1,512
	Rate (%)	96.3	96.8
Unemployment	Number ('000)	56	50
	Rate (%)	3.6	3.2
Underemployment	Number ('000)	172	168
	Rate (%)	11.6	11.1

Source: *PSA RSSO 2*

Table 3. Palay Production, in metric tons (MT), Region 2 CY 2014 and CY 2015

Province	Irrigated		Rainfed		Upland		Total	
	CY 2014	CY 2015	CY 2014	CY 2015	CY 2014	CY 2015	CY 2014	CY 2015
Batanes	9.15	3.34	-	-	77.02	69.94	86.17	73.28
Cagayan	767,655	768,404	125,001	113,830	2,924	2,100	895,580	884,334
Isabela	1,215,738	1,200,602	60,803	53,885	1,082	1,903	1,277,623	1,256,390
Nueva Vizcaya	244,824	259,144	7,634	9,154	438	822	252,896	269,120
Quirino	82,071	75,020	5,468	4,169	1,210	541	88,749	79,730
REGION 02	**2,310,297.15**	**2,303,173.34**	**198,906**	**181,038**	**5,731.02**	**5,435.94**	**2,514,734.17**	**2,489,647.28**

Source: PSA RSSO 2

Table 4. Area Harvested for Palay, in hectares (ha), Region 2 CY 2014 and CY 2015

Province	Irrigated		Rainfed		Upland		Total	
	CY 2014	CY 2015	CY 2014	CY 2015	CY 2014	CY 2015	CY 2014	CY 2015
Batanes	3.41	1.25	-	-	88.35	84.94	91.76	86.19
Cagayan	176,932	174,245	48,879	43,684	1,682	1,265	227,493	219,194
Isabela	262,366	260,535	22,960	20,542	993	1,826	286,319	282,903
Nueva Vizcaya	53,121	56,974	2,563	2,971	270	521	55,954	60,466
Quirino	19,451	19,441	1,714	1,619	637	410	21,802	21,470
REGION 02	**511,873.41**	**511,196.25**	**76,116**	**68,816**	**3,670.35**	**4,106.94**	**591,659.76**	**584,119.19**

Source: PSA RSSO 2

Table 5. Palay Productivity, in MT/ha, Region 2 CY 2014 and CY 2015

Province	Irrigated		Rainfed		Upland		Total	
	CY 2014	CY 2015	CY 2014	CY 2015	CY 2014	CY 2015	CY 2014	CY 2015
Batanes	2.68	2.67	-	-	0.87	0.82	0.94	0.85
Cagayan	4.34	4.41	2.56	2.61	1.74	1.66	3.94	4.03
Isabela	4.63	4.61	2.65	2.62	1.09	1.04	4.46	4.44
Nueva Vizcaya	4.61	4.55	2.98	3.08	1.62	1.58	4.52	4.45
Quirino	4.22	3.86	3.19	2.58	1.90	1.32	4.07	3.71
REGION 02	**4.51**	**4.51**	**2.61**	**2.63**	**1.56**	**1.32**	**4.25**	**4.26**

Source: PSA RSSO 2

Table 6. Corn Production, in metric tons (MT), Region 2 CY 2014 and CY 2015

Province	White		Yellow		Total	
	CY 2014	CY 2015	CY 2014	CY 2015	CY 2014	CY 2015
Batanes	59.34	42.15	337.65	176.95	396.99	219.10
Cagayan	27,133	27,255	404,102	429,089	431,235	456,344
Isabela	14,488	11,998	1,160,834	1,106,944	1,175,322	1,118,942
Nueva Vizcaya	4,201	3,979	69,141	70,201	73,342	74,180
Quirino	608	572	175,811	150,937	176,419	151,509
REGION 02	**46,489.34**	**43,846.15**	**1,810,225.65**	**1,757,347.95**	**1,856,714.99**	**1,801,194.10**

Source: PSA RSSO 2

Table 7. Area Harvested for Corn, in hectares (ha), Region 2 CY 2014 and CY 2015

Province	White		Yellow		Total	
	CY 2014	CY 2015	CY 2014	CY 2015	CY 2014	CY 2015
Batanes	62.86	44.95	131.94	78.30	194.80	123.25
Cagayan	12,366	11,424	98,634	99,914	111,000	111,338
Isabela	6,252	5,237	263,014	253,187	269,266	258,424
Nueva Vizcaya	1,428	1,302	15,342	15,388	16,770	16,690
Quirino	193	207	40,305	39,183	40,498	39,390
REGION 02	**20,301.86**	**18,214.95**	**417,426.94**	**407,750.30**	**437,728.80**	**425,965.25**

Source: PSA RSSO 2

Table 8. Corn Productivity, in MT/ha, Region 2 CY 2014 and CY 2015

Province	White		Yellow		Total	
	CY 2014	CY 2015	CY 2014	CY 2015	CY 2014	CY 2015
Batanes	0.94	0.94	2.56	2.26	2.04	1.78
Cagayan	2.19	2.39	4.10	4.29	3.89	4.10
Isabela	2.32	2.29	4.41	4.37	4.36	4.33
Nueva Vizcaya	2.94	3.06	4.51	4.56	4.37	4.44
Quirino	3.15	2.76	4.36	3.85	4.36	3.85
REGION 02	**2.29**	**2.41**	**4.34**	**4.31**	**4.24**	**4.23**

Source: PSA RSSO 2

Table 9. Preliminary Production Estimates for Other Crops, in metric tons (MT), Region 2
CY 2014 and CY 2015

COMMODITY	VOLUME OF PRODUCTION	
	CY 2014	CY 2015
FRUITS	**509,381**	**514,829**
Major	***470,528***	**476,428**
Banana	376,366	384,134
Calamansi	6,628	7,002
Mango	53,691	50,163
Pineapple	33,842	35,129
Priority	***17,675***	**18,289**
Balimbing	26.70	26.49
Durian	28.33	32.85
Lanzones	48.63	49.87
Papaya	1,995.02	1,874.67
Rambutan	419.00	452.09
Tamarind	1,304.26	1,388.20
Watermelon	7,097.18	7,416.03
Mandarin	6,166.07	6,446.27
Orange	589.84	602.20
Other Fruits	***21,179***	**20,113**
VEGETABLES AND ROOT CROPS	**327,857**	**31,947**
Major	**194,294**	**300,949**
Mongo	7,164	8,252
Peanut	3,644	3,887
Cabbage	1,189	1,537
Eggplant	19,723	20,843
Tomato	9,903	10,389
Garlic	618	641
Onion	7,628	7,019
Camote	8,558	8,276
Cassava	135,867	240,105

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Table 9. Preliminary Production Estimates for Other Crops, in metric tons (MT), Region 2
CY 2014 and CY 2015

continuation

COMMODITY	VOLUME OF PRODUCTION	
	CY 2014	CY 2015
Priority	**114,551**	**113,148**
Habitchuelas	2,580.24	2,471.11
B. Blossom	8,768.04	8,955.08
Broccoli	16.07	16.06
Cauliflower	236.29	232.44
Kangkong	2,409.18	2,383.10
Lettuce	3.45	4.03
Pechay	5,829.25	5,858.07
Ampalaya	6,571.75	6,233.78
String beans	15,849.29	15,915.45
Gourd	9,849.44	9,758.41
Okra	5,181.18	5,220.72
Squash Fruit	34,095.63	32,959.78
Ginger	5,322.35	5,058.70
Pepper	1,065.58	1,007.26
Carrots	584.58	594.94
Gabi	15,621.96	15,941.64
Radish	118.46	117.29
Irish Potato	448.25	419.90
Other Vegetables	**19,011**	**17,850**
NON-FOOD AND INDUSTRIAL COMMERCIAL CROPS (NFICC)	**753,535**	**772,180**
Major	**660,161**	**673,297**
Coconut with husk	74,372	77,118
Coffee (dried beans with pulp)	744	743
Sugarcane (cane)	569,077	583,808
Tobacco (dried leaves)	15,968	11,627
Priority	**86,711**	**92,259**
Cacao (dried beans with pulp)	74.69	90.75
Cashew (ripe fruit with nut)	24.66	22.94
Bromeliad (live plant with pot)	232.10	132.87
Green cornstalk	2,855.11	3,473.30
Rice hay (dried hays)	83,524.62	88,538.76
Other NFICC	***6,662***	***6,624***

Source: PSA RSSO 2

Table 10. Preliminary Production Estimates for Livestock and Poultry (in MT, liveweight)
Region 2, CY 2014 and CY 2015

COMMODITY	CY 2014	CY 2015
Livestock	93,690	94,575
Swine	67,093	68,853
Cattle	14,539	14,106
Carabao	10,549	9,924
Goat	1,779	1,692
Poultry	59,859	61,504
Chicken	57,696	59,318
Duck	2,163	2,186

Source: PSA RSSO 2

Table 11. Preliminary Production Estimates (in MT) and Area Harvested (in ha) for Fisheries
Region 2, CY 2014 and CY 2015

COMMODITY	Production (MT)		Area Harvested (Ha)	
	CY 2014	CY 2015	CY 2014	CY 2015
COMMERCIAL	**11,935.73**	**11,504.18**	n/a	n/a
Cagayan	11,935.73	11,504.18	n/a	n/a
MUNICIPAL	**34,005.32**	**31,925.28**	n/a	n/a
Marine	***21,573.95***	***21,337.96***	n/a	n/a
Cagayan	19,718.01	19,600.92	n/a	n/a
Isabela	744.95	726.96	n/a	n/a
Batanes	1,110.99	1,010.08	n/a	n/a
Inland	***12,431.37***	***10,587.32***	n/a	n/a
Cagayan	7,669.12	6,219.61	n/a	n/a
Isabela	3,168.83	3,120.70	n/a	n/a
Nueva Vizcaya	1,186.96	950.07	n/a	n/a
Quirino	406.46	296.94	n/a	n/a
AQUACULTURE	**14,206.94**	**12,923.54**	**3,595.23**	**3,242.51**
Cagayan	5,820.95	5,846.91	1,448.01	1,378.82
Isabela	6,564.62	5,884.85	1,535.50	1,375.76
Nueva Vizcaya	1,145.37	735.53	396.56	302.43
Quirino	676.00	456.26	215.16	185.49
REGIONAL TOTAL	**60,147.99**	**56,353.00**	n/a	n/a

Source: PSA RSSO 2

Table 12. LBP Outstanding Loans, by Industry* (in million PhP), Region 2
As of December 31, CY 2014 and CY 2015

Industries	As of December 31, 2014				As of December 31, 2015			
	Outstanding Balance			% Share	Outstanding Balance			% Share
	Batanes	Cagayan	Total		Batanes	Cagayan	Total	
AGRI-AGRA LOANS								
SMEs	30.753	680.59	711.34	43.9%	48.47	830.80	879.27	39.6%
LGU Loans	18.547	124.67	143.22	8.8%	14.09	133.78	147.87	6.7%
Small farmers & fisher folks	-	393.26	393.26	24.2%	10.50	389.64	400.14	18.0%
Livelihood Loans	-	-	0.00	0.0%	-	-	0.00	0.0%
Large Enterprise	-	362.00	362.00	22.3%	5.50	758.63	764.13	34.4%
Easy Home Loans	-	12.06	12.06	0.7%	-	29.86	29.86	1.3%
Subtotal	*49.30*	*1,572.58*	*1,621.88*	*100.0%*	*78.56*	*2,142.70*	*2,221.26*	*100.0%*
NON AGRI-AGRA LOANS								
LGU Loans	-	-	-	-	-	-	-	-
GOCCs	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-
TOTAL	**49.30**	**1,572.58**	**1,621.88**	**100.0%**	**78.56**	**2,142.70**	**2,221.26**	**100.0%**

Source: Land Bank of the Philippines - Cagayan Lending Center
** No data for the provinces of Isabela, Quirino, and Nueva Vizcaya*

Table 13. DBP Outstanding Loans, by Industry (in million PhP), Region 2
As of December 31, CY 2014 and CY 2015

Industries	As of December 31, 2014		As of December 31, 2015	
	Outstanding Balance		Outstanding Balance	
	Total	% Share	Total	% Share
AGRI-AGRA LOANS				
SMEs	-	-	-	-
LGU Loans	-	-	-	-
Small farmers & fisher folks	-	-	-	-
Livelihood Loans	-	-	-	-
Subtotal	-	-	-	-
NON AGRI-AGRA LOANS				
LGU Loans	399.06	29.5%	763.33	41.5%
GOCCs	34.08	2.5%	23.70	1.3%
Others	920.96	68.0%	1,050.77	57.2%
Subtotal	*1,354.10*	*100.0%*	*1,837.79*	*100.0%*
TOTAL	**1,354.10**	**100.0%**	**1,837.79**	**100.0%**

Source: DBP Regional Marketing Center– Northeastern Luzon

Table 14. Number of Firms Registered, Investments and Employment Generated, By Province, Region 2, CY 2014 and CY 2015

PROVINCE	Number of Firms		Investments (in Million PhP)		Employment	
	CY 2014	CY 2015	CY 2014	CY 2015	CY 2014	CY 2015
Batanes	354	429	68.19	47.21	631	725
Cagayan	4,317	4,309	1,689.30	2,229.93	9,639	10,478
Isabela	5,357	5,619	1,116.57	1,321.67	9,682	12,486
Quirino	632	707	761.71	152.95	1,164	1,456
Nueva Vizcaya	2,173	2,219	796.01	727.86	4,951	4,644
Regional Total	**12,833**	**13,283**	**4,431.78**	**4,479.62**	**26,067**	**29,789**

Source: DTI Region 2

Table 15. Number of Firms Registered, Investments and Employment Generated, By Sector Region 2, CY 2014 and CY 2015

PROVINCE	Number of Firms		Investments (in million PhP)		Employment	
	CY 2014	CY 2015	CY 2014	CY 2015	CY 2014	CY 2015
Manufacturing	685	699	141.64	154.17	1,672	1,913
Agri-based Production	139	86	148.31	144.93	326	318
Construction	277	125	916.70	310.99	1,104	610
Trading	6.958	7,302	1,304.83	1,502.51	12,299	14,488
Services	4.774	5,071	1,920.31	2,367.03	10,666	12,460
Total	**12.833**	**13,283**	**4,431.78**	**4,479.62**	**26,067**	**29,789**

Source: DTI Region 2

Table 16. Comparative Visitor Arrivals and Receipts, Region 2 CY 2014 and CY 2015

	Arrivals		Receipts (in Million PhP)	
	CY 2014	CY 2015	CY 2014	CY 2015
Overnight Tourists				
Domestic	567,776	588,250	1,135.55	1,176.50
Foreign	181,085	207,252	593.96	679.79
Subtotal	*748,861*	*795,502*	*1,729.51*	*1,856.29*
Same Day Tourists				
Domestic	1,205,824	1,344,261	844.08	940.98
Foreign	2,914	3,107	2.04	2.17
Subtotal	*1,208,738*	*1,347,368*	*846.12*	*943.16*
Grand Total	**1,957,599**	**2,142,870**	**2,575.63**	**2,799.44**

Table 17. Regional Distribution of Overnight Travelers/Tourists, Region 2 CY 2014 and CY 2015

Country of Residence	**CY 2014**	**CY 2015**
Philippine Residents (Domestic)	567,776	588,250
Filipino Nationality	552,937	579,336
Foreign Nationality	14,839	8,914
Non-Philippine Residents (Foreign)		
ASIA		
ASEAN	*907*	*1,608*
Brunei	45	115
Cambodia	6	29
Indonesia	63	653
Laos	37	30
Malaysia	177	179
Myanmar	50	22
Singapore	384	417
Thailand	107	121
Vietnam	38	42

continuation

Country of Residence	CY 2014	CY 2015
EAST ASIA	169,742	191,542
China	163,821	187,226
Hong Kong	191	171
Japan	532	700
South Korea	805	636
Taiwan	4,393	2,809
SOUTH ASIA	*410*	*570*
Bangladesh	11	17
India	350	429
Iran	4	19
Nepal	21	42
Pakistan	24	62
Sri Lanka	-	1
MIDDLE EAST	*295*	*356*
Bahrain	10	29
Egypt	43	41
Israel	14	53
Jordan	18	31
Kuwait	36	43
Saudi Arabia	114	114
United Arab Emirates	60	45
AMERICA		
NORTH AMERICA	*2,665*	*2,820*
Canada	645	799
Mexico	54	37
USA	1,966	1,984
SOUTH AMERICA	*86*	*63*
Argentina	25	30
Brazil	38	18
Colombia	19	14
Peru	1	-
Venezuela	3	1
EUROPE		
WESTERN EUROPE	*520*	*823*
Austria	88	102
Belgium	35	30
France	132	114
Germany	178	312
Luxembourg	-	7
Netherlands	39	192
Switzerland	48	66

continuation

Country of Residence	CY 2014	CY 2015
NORTHERN EUROPE	*592*	*556*
Denmark	48	44
Finland	57	14
Ireland	22	28
Norway	89	76
Sweden	64	57
United Kingdom	312	337
SOUTHERN EUROPE	*125*	*217*
Greece	16	29
Italy	54	116
Portugal	13	10
Spain	40	56
Union of Serbia and Montenegro	2	6
EASTERN EUROPE	*464*	*62*
Commonwealth of Independent States	7	-
Poland	10	17
Russia	447	45
AUSTRALASIA/PACIFIC	**455**	**467**
Australia	375	342
Guam	34	62
Nauru	-	-
New Zealand	46	62
Papua New Guinea	-	1
AFRICA	**38**	**49**
Nigeria	8	19
South Africa	30	30
OTHERS AND UNSPECIFIED RESIDENCES	3,671	3,080
GRAND TOTAL TOURIST ARRIVALS	748,861	792,422
Total Philippine Residents	567,776	588,250
Total Non-Philippine Residents	179,970	202,213
Total Overseas Filipinos**	1,115	1,959
Total Guest with Unidentified Residence	--	3,080

Source: DOT Region 2

*Note: *Philippine passport holders permanently residing abroad; excludes overseas Filipino workers*
** Overseas Filipinos are classified under foreign tourists*

Table 18. Motor Vehicles Registration, Region 2
CY 2014 and CY 2015

Classifica-tion/ Year	Type of Motor Vehicle								
	Cars	Utility Vehicles	Sport Utili-ty Vehicles	Trucks	Buses	Motorcy-cles/ Tricycles	Trailers	Exempt	TOTAL
CY 2014	11,261	53,697	7,178	17,115	596	280,129	2,778	-	**372,754**
CY 2015	12,719	57,722	8,279	18,080	541	347,150	2,859	2	**447,352**

Source: DOTC-LTO Region 2

Table 19. Number of Licenses and Permits Issued, Region 2
CY 2014 and CY 2015

	Professional	Non-Professional	Student Permit	Conductors License	Total
CY 2014					
Batanes	456	643	1,156	-	2,255
Cagayan	26,899	9,400	19,558	146	56,003
Isabela	41,573	11,436	30,925	123	84,057
Quirino	3,381	658	2,293	6	6,338
Nueva Vizcaya	14,348	2,566	8,400	17	25,331
REGION 02 TOTAL					
CY 2015					
Batanes	626	928	123	-	1,677
Cagayan	29,426	11,413	20,304	123	61,266
Isabela	43,353	13,373	31,461	108	88,295
Quirino	3,582	847	2,491	7	6,927
Nueva Vizcaya	15,314	3,506	9,338	25	28,183
REGION 02 TOTAL	92,301	30,067	63,717	263	186,348

Table 20. Revenue Generated by District/Extension Office (in Million PhP), Region 2, CY 2014 and CY 2015

District/Extension Office	CY 2014	CY 2015
APARRI D.O.	31.15	32.29
ARITAO E.O.	20.46	20.75
BASCO D.O.	3.80	3.97
BAYOMBONG D.O.	56.11	64.86
CABAGAN E.O.	21.46	23.72
CABARROGUIS D.O.	23.41	25.57
CAUAYAN E.O.	68.75	73.67
GATTARAN E.O.	17.54	16.09
ILAGAN D.O.	35.42	42.00
TUAO E.O.	8.71	9.09
ROXAS D.O.	42.25	52.64
SANCHEZ MIRA E.O.	13.84	14.75
SAN ISIDRO D.O.	54.32	55.73
SANTIAGO E.O.	45.39	55.93
TUGUEGARAO LIC.	18.79	20.78
TUGUEGARAO D.O.	75.93	89.44
OPERATION DIV.	14.72	20.28
NEW REGISTRATION UNIT	103.69	183.49
REGIONAL OFFICE	0.02	-
Total	**655.75**	**805.06**

Source: DOTC-LTO Region 2

Table 21. Number of Cell Sites and Total Channels, Region 2
CY 2014 and CY 2015

Province	Digitel Mobile Philippines, Inc. (Sun Cellular)				Smart Communications, Inc.				Globe Telecom, Inc.			
	Cell Sites		Channels		Cell Sites		Channels		Cell Sites		Channels	
	CY 2014	CY 2015	CY 2014	CY 2015	CY 2014	CY 2015	CY 2014	CY 2015	CY 2014	CY 2015	CY 2014	CY 2015
Batanes	0	0	0	0	7	7	52	52	6	6	21	21
Cagayan (Mun)	26	26	270	264	85	107	760	854	75	87	311	313
Cagayan (City)	15	15	180	192	23	25	157	177	27	30	147	148
Isabela (Mun)	37	37	483	420	70	95	633	795	41	53	177	195
Isabela (City)	23	23	309	267	30	41	273	370	28	30	130	113
Nueva Vizcaya	22	22	202	196	30	43	231	306	32	35	110	110
Quirino	3	3	36	36	5	8	39	69	11	14	34	46
Total	126	126	1,480	1,375	250	326	2,145	2,623	220	255	930	946

Source: NTC Region 2

Table 22. Production of Metallic and Non-Metallic Mineral Commodities
Region 2, CY 2014 and CY 2015

Commodity/Province	Production (cubic meter)	
	CY 2014	CY 2015
Sand and Gravel		
Cagayan	133,109.82	134,191.79
Isabela	1,291,250.64	1,315,763.16
Nueva Vizcaya	223,957.00	88,016.50
Quirino	69,943.00	68,778.00
Subtotal	**1,718,260.46**	**1,606,749.45**
Pure Sand		
Cagayan	*19,188.63*	*12,711.84*
Nueva Vizcaya	*247,127.50*	*229,993.00*
Subtotal	*266,316.13*	*242,704.84*
Boulders		
Cagayan	*20,119.51*	*20,214.45*
Nueva Vizcaya	*36,197.00*	*41,361.00*
Subtotal	*56,316.51*	*61,575.45*
Earth Material		
Cagayan	12,100.25	15,674.78
Magnetite Sand		
Cagayan	124,500.00	-
TOTAL	**2,177,493.35**	**1,926,704.52**
Nickel Ore		
Isabela	231,000.00	-
Copper Concentrate (in MT)		
Nueva Vizcaya	71,291.00	52,234.56

Source: MGB Region 2

Table 23. Number and Value of Construction Projects from Approved Building Permits Region 2, CY 2014 and CY 2015

Type of Construction	Number		Value (in million PhP)	
	CY 2014	CY 2015	CY 2014	CY 2015
Residential	2,500	2,341	1,545.497	1,661.794
Non-Residential	557	546	3,002.230	2,365.374
Additions	32	152	125.292	49.825
Alterations and Repairs	258	267	294.409	293.246
TOTAL	**3,347**	**3,306**	**4,967.428**	**4,370.239**

Source: PSA website
Note: CY 2015 are preliminary data