Where are we now?

CVRDP 2011-2016 Targets

5-6% Gross Regional Domestic Product (GRDP)

3-5% Inflation

Increasing Employment Level Decreasing Underemployment Rate

Poverty Incidence down to 21.2%

Macroeconomic Targets on Track

6.4% (2014) Real GRDP Growth

2.0% (2015) Inflation Rate

Employment Level 1.512 million (2015)
1.485 million (2014)

Underemployment rate 11.1% (2015)

22.1% (2012) Poverty Rate
Sustained overall growth level..

Gross Value Added (GVA) Growth Rate by Sector, 2009-2014  
(at constant 2000 prices)

<table>
<thead>
<tr>
<th>Sector</th>
<th>09-10</th>
<th>10-11</th>
<th>11-12</th>
<th>12-13</th>
<th>13-14</th>
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<tr>
<td>SER</td>
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<td>4.5</td>
<td>5.6</td>
<td>7.7</td>
<td>6.3</td>
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<tr>
<td>IND</td>
<td>14.3</td>
<td>-13.3</td>
<td>11.5</td>
<td>22.7</td>
<td>8.9</td>
</tr>
<tr>
<td>AHFF</td>
<td>-8.3</td>
<td>13.6</td>
<td>7.9</td>
<td>0.1</td>
<td>5.7</td>
</tr>
<tr>
<td>GRDP</td>
<td>(0.8)</td>
<td>5.7</td>
<td>8.1</td>
<td>6.2</td>
<td>6.4</td>
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</tbody>
</table>

Source: PSA
Shifts towards service-driven economy.

GRDP (At Constant 2000 Prices), Region 02 By Industrial Origin, CY 2010

GRDP (At Constant 2000 Prices), Region 02 By Industrial Origin, CY 2014

Source: PSA
1. ASEAN Integration – Post 2015 Agenda
   - Deeper integration among the ASEAN Member Countries
   - Enhancement of productivity through innovation and technology development
   - Wider connectivity (between and among ASEAN Region and the rest of the world)

2. Philippine Rural Development Program (PRDP)
   - Enhance full market integration
   - Improved farms to market linkages
   - Increased productivity and reduce vulnerability in agri production
3. Major Infrastructure Projects

- Operation of the Cagayan North International Airport in Lallo, Cagayan
- Completion of the Dalton Pass Eastern Alternate Route
- Completion of projects under the DOT-DPWH Convergence Program
- Opening of Ilagan-Divilacan Road

**LONG-TERM:**

- Revival of the Railway System
- Coastal Road Development – Cagayan to Aurora

4. Future exploration of the Benham Rise (long-term)

- 13 million-hectare undersea land mass off the coast of Aurora and Isabela
- Potential source of minerals, oil, and natural gas
Potentials for Industry Development

1. Major Crops, Agri-forestry Products, Fisheries and Livestock and Poultry

- Major crops such as palay and corn, and other crops: banana, pineapple, citrus, cassava, mongo (i.e. processing industry)
- Agro-forestry (i.e. wood industry, furniture)
- Mineral Resources (copper, sand and gravel, pure sand)
- Fisheries (Cagayan, Isabela, Batanes)
- Livestock (e.g. swine, chicken, goat, beef tapa)
2. CRB as Prime Water Resource
- Cagayan River Basin has a potential in spurring economic development in the area (e.g. water resource, hydro power, marine and freshwater resource)

3. TOURISM Industry
- Nature and Culture-Based
- Sun and Beach
- Cruise and Nautical
- Leisure, Entertainment, Sports, Education Tourism
Potentials for Industry Development

4. Growth Nexus

- Cagayan Special Economic Zone And Freeport (CSEZFP)
- SME development (i.e. manufacturing, agri-based production, trading and services)
CHALLENGES

- Low per capita GRDP of PhP 37,267 - 2\textsuperscript{nd} lowest among Luzon regions – efforts to improve productivity and increase value-adding activities

- Low investment inflows in the region

- Insufficient infrastructure support and inadequate agri-support

- Tourism Niche

- Vulnerability to natural hazards and climate change
Thank You!

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