



CENTRAL VISAYAS Regional Development Plan 2017-2022



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FOREWORD

Earlier this year, we launched the Philippine Development Plan (PDP) 2017-2022 through the initiative of the National Economic and Development Authority (NEDA). The PDP serves as our medium-term blueprint towards attaining a better and more secure life for our people in the next 25 years.

To complement the PDP, we are now launching the Regional Development Plans (RDPs) 2017-2022. This will provide direction in policy formulation for the next six years as we steer public and private investments to the regions.

We intend to place regional development at the center of our socioeconomic development strategy. By creating more jobs, improving social services, encouraging innovation and connecting the countryside to growth centers, we will reduce poverty and accelerate development in rural areas.

The RDPs will also prioritize accelerating infrastructure development, protecting our natural resources, addressing criminality and illegal drugs, and ensuring peace and security in the regions.

I commend the Regional Development Councils for aligning their respective regional plans to our PDP through fruitful collaboration with local government units and the private sector. I am confident that through the RDPs, we can realize our goal of laying a solid foundation for a stronger and more resilient nation for future generations.

RODRIGO ROA DUTERTE President

Republic of the Philippines

PREFACE



With regional and local development being one of the main thrusts of President Rodrigo R. Duterte's socioeconomic development agenda, the Philippine Development Plan (PDP) 2017-2022, the first mediumterm plan anchored on a long-term vision (*AmBisyon Natin* 2040), was specifically designed to cultivate growth and reduce inequality between the regions. This can be achieved by directing development to key areas throughout the country and connecting these growth centers to rural areas.

As such, the Regional Development Plans (RDPs), as accompanying documents to the PDP, will be an important tool in guiding both public and private investments that will catalyze growth in the regions. It will also serve as our blueprint in laying down the three main pillars of *Malasakit, Pagbabago, at Patuloy na Pag-unlad* that will help us build a secure, comfortable, and strongly rooted life for all Filipinos by 2040.

I would like to express my gratitude to the Regional Development Councils (RDCs) for their leadership in the crafting of the RDPs, and in coordinating various development efforts in the regions. Finally, we seek the support of our local government units, regional institutions, and private institutions to support the realization of our plans as we venture towards the creation of prosperous, peaceful and resilient communities.

in

ERNESTO M. PERNIA Secretary of Socioeconomic Planning and NEDA Director General



Message

The Central Visayas Regional Development Council (RDC) spearheaded the preparation of the Central Visayas Medium-Term Regional Development Plan 2017-2022 upon the instruction of President Rodrigo R. Duterte. As the acting chairman of the RDC, I am glad to see the plan finally completed with the cooperation of all stakeholders from the government and the private sector. The region now has a plan from which all sectors can find direction in the planning and implementation of development projects for Central Visayas.

As the region embarks on its journey towards realizing the Filipino people's aspirations for a prosperous, healthy and safe nation through the RDP, I encourage my colleagues from the private sector and our partners in the public sector and civil society to work together in this shared responsibility of implementing the plan.

The Central Visayas RDC will ensure that the RDP is implemented and that the desired outcomes are realized. The RDP shall be our guide as we pursue the region's development through our respective mandates and expertise so that our individual efforts complement each other and lead to the attainment of the shared goal of a prosperous Central Visayas.

I strongly believe that with our collective efforts and talents, we can overcome any challenge and move our region forward.

Kenneth Coboyene KENNETH COBÓNPUE RDC 7 Chairperson

MESSAGE



The NEDA Regional Office 7 coordinated the formulation of the Central Visayas Medium-Term Regional Development Plan (MTRDP), 2017-2022 to serve as the region's blueprint for development under the administration of President Rodrigo Roa Duterte. We consider this development plan unique because for the first time, the MTRDP is anchored on a common long-term vision of the country popularly known as AmBisyon Natin 2040.

The MTRDP for 2017-2022 is the first of four mediumterm plans that will be implemented to realize AmBisyon Natin 2040. As such, it is intended to close the gap of the region's development targets in the previous development plan and lay the foundation for inclusive growth, a high-trust society and a globally competitive knowledge economy. Consisting of 21 chapters, the MTRDP elaborates the broad strategies of Central Visayas for increasing potential growth of the region, reducing inequality across sectors and provinces, and enhancing the social fabric while taking into account the country's commitment in attaining the Sustainable Development Agenda (SDA) targets.

In the formulation of the MTRDP for 2017-2022, the NEDA Regional Office 7 ensured the involvement of the private sector, civil society, national and local government units. This was accomplished through their participation in the provincial and sectoral consultations and in the plan review spearheaded by the Central Visayas Regional Development Council (RDC).

With the completion of the MTRDP, the region can now begin the more challenging task of implementing it. We hope that all stakeholders will rally behind this plan so that by the end of the plan period the region shall have successfully laid down the proper foundation for AmBisyon Natin 2040.

Our profound thanks to all those who helped us put together this Plan!

EFREN B. CARREON Regional Director, NEDA 7 and Vice-Chair, RDC 7



EXCERPT FROM THE MINUTES OF MEETING OF THE CENTRAL VISAYAS REGIONAL DEVELOPMENT COUNCIL HELD ON 14 FEBRUARY 2017 IN CEBU CITY

RDC Resolution No. 4 (S. 2017)

"APPROVING THE CENTRAL VISAYAS REGIONAL DEVELOPMENT PLAN, 2017-2022"

WHEREAS, President Rodrigo R. Duterte, through Memorandum Circular (MC) No. 12 dated 24 October 2016, directed the formulation of the country's national and regional development plans and the accompanying investment programs for the medium term;

WHEREAS, the Regional Development Councils (RDCs) have been tasked to coordinate the formulation of the regional development plans and investment programs including the issuance of supplemental guidelines;

WHEREAS, the planning guidelines directed the regional development plans and investment programs to be anchored on the country's long-term vision or *AmBisyon Natin 2040*, the 0+10 point Socio-Economic Agenda of the Duterte Administration, and the 2030 Sustainable Development Agenda (SDA);

WHEREAS, the Central Visayas Regional Development Plan (RDP) 2017-2022 was formulated consistent with MC No. 12 and the planning guidelines while reflecting the priorities of the region;

NOW THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED, to approve the Central Visayas Regional Development Plan 2017-2022.

Certified Correct:

DIONISIO C. LEDRES, JR. RDC Secretary Approved:

EFREN B. CARREON RDC Vice-Chairperson and Presiding Officer

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PART I INTRODUCTION



Chapter 1 The Long View

President Rodrigo R. Duterte through Memorandum Circular No. 12, s. 2016, directed the preparation of the national and regional development plans and investment programs to translate his 0+10 point socio-economic agenda into concrete policies, strategies, programs, projects, and activities. As with the other regional development plans (RDPs), the Central Visayas Regional Development Plan 2017-2022 is anchored on the *AmBisyon Natin 2040* which is the 25-year long-term vision for the country.

AmBisyon Natin 2040: The Nation's Long-Term Vision

In response to calls for a more forward-looking and people-centered approach to development planning that goes beyond the term of a single political administration, the Philippines embarked on a long-term visioning exercise in 2015. Dubbed as AmBisyon Natin 2040, the activity aimed to capture the aspirations and vision of the Filipino people for themselves and for the country in the next 25 years upon which government's plans, programs, and projects would be designed and built upon to achieve the desired outcomes.

The vision of the Filipinos for the Philippines in 2040, as revealed through the visioning exercise, is to be a "prosperous, predominantly middle class society where no one is poor" and "where people live long and healthy lives".¹ The country in 2040 is also envisioned to be a major player in the global knowledge economy with smarter and more innovative people. This translates to the following economic goals that the Filipinos believe the country should aim for: eradication of poverty, elimination of hunger, and generation of local jobs. For the people in the Visayas, in addition to the aforesaid goals, the provision of housing is also a sought after goal for the country.

A high-trust society is also aspired by the Filipinos for the Philippines where human security is assured and government enjoys the people's trust because it is clean, efficient, fair, just and service-oriented. In particular, Filipinos in the Visayas believe that eliminating corruption, fair enforcement of laws, and fast and easy processes are important aspects of government service that should be pursued.

On the kind of life that the Filipinos want for themselves, the people envision a life that is stable, comfortable, and secure (*matatag, maginhawa, at panatag na buhay*) that includes the family. It consists of: having a home; owning a car or accessing to good public transportation; having a steady source of income; earning enough to support daily needs of the family, contingencies, and savings for retirement; having the capacity to

¹ National Economic and Development Authority, *Philippine Development Plan 2017-2022*, (Pasig City: NEDA, 2017)

provide a college education for the children; and being able to go on local trips with the family for vacation. Essentially, it is a lifestyle that is more middle-class.

Realizing the Vision

With the right policies and programs, the vision of a prosperous Philippines can be attained in 25 years, according to a study done by Ramon Clarete as part of AmBisyon Natin 2040. Without the needed reforms, the Philippines will not likely attain middle-class status for majority of its citizens by 2040.

Central Visayas is expected to be among the regions in the country whose residents can enjoy a middle-class standard of living sooner or before 2040 with the right policies and proper support from the government. At present, Central Visayas is one of the country's best performing economies. Its economic growth has consistently been among the highest in the country. From 2011 to 2016, the Gross Regional Domestic Product (GRDP) of Central Visayas grew at an average annual rate of 7.5 percent, the fastest growth rate in the country, and much higher than the national average of 6.1 percent. As a result, per capita income of the region rose to PhP64,858 in 2015, the fourth highest in the country.

Economic growth must be sustained and be made more inclusive for the region to eradicate poverty by 2040 and allow the majority of the residents to enjoy a middle-class standard of living. Based on learnings gained from the implementation of the previous regional development plan, economic growth alone cannot drastically reduce poverty. Strong economic growth must reduce income disparity supported by a sound population program.

Growth strategies shall consider spatial/locational and sectoral components to ensure inclusivity.

The Regional Development Plan 2017-2022

Similar to the Philippine Development Plan (PDP) 2017-2022, the Central Visayas Regional Development Plan (RDP) 2017-2022 is anchored on the country's long-term vision (AmBisyon Natin 2040) of a stable, comfortable, and secure life (matatag, maginhawa, at panatag na buhay). It also takes into account the 0+10 point Socio-Economic Agenda of the Duterte Administration and the 2030 Sustainable Development Agenda (SDA) adopted by the United Nations in 2015.

Given the long term nature (25 years) of the AmBisyon Natin, four medium-term Development Plans (PDP and RDP) shall be crafted and implemented until 2040. This is based on the conviction thata long-term vision could not be achieved in a few years or within the term of a single political administration. The pursuit of the vision could take several years extending to several political administrations. It is essential that subsequent PDPs and RDPs build on the gains of previous plans and sustain the strategies, policies, programs, and projects to ensure attainment of the vision.

The RDP 2017-2022, like the PDP, is the first of four medium term plans that shall be anchored on the AmBisyon Natin 2040. The thrust of the RDP 2017-2022 is to lay down the foundation for more inclusive growth, a hightrust and resilient society, and a globally competitive knowledge economy. The period will therefore be characterized by filling the gap or shortfalls, meeting standards, and catching up.

The development agenda of the current RDP are the following: (a) increasing public trust in government, (b) reducing inequality in access to development opportunities, and (c) attaining high and sustainable economic growth. These will be supported by a strong foundation in public order and security, infrastructure development, and ecological integrity.

Organization of the Plan

The Plan document is organized into seven parts. Part I provides the overall context for the RDP. It includes a discussion on the long-term vision of the Philippines or the AmBisyon Natin 2040, the global and regional trends and prospects, the desired spatial distribution of human activity in the region, and the development framework.

Part II is about increasing public trust in government leading towards the attainment of a high-trust society. Strategies to improve the different aspects of government service are discussed this section.

Part III presents the approaches for reducing inequality in accessing to development

opportunities. These include accelerating human capital development, expanding economic opportunities in agriculture, industry, and services, and reducing vulnerabilities of individuals, families, and communities from disasters and calamities.

Part IV focuses on attaining high and sustainable economic growth. The use of science and technology to propel growth is discussed in this section.

Part V calls for a supportive economic environment that will enable the economy to sustain growth. This includes maintaining macroeconomic stability and promoting competition.

Part VI discusses the foundations for inclusive and sustainable development, namely: peace, security, public order, and safely; better infrastructure; ecological integrity, and a clean and healthy environment.

Finally, Part VII describes the institutional arrangements for implementing the plan.



Chapter 2

Global and Regional Trends and Prospects

In the next six years, the Central Visayas region will be affected by developments not only within the region and the nation but across the globe. It is therefore important to take into consideration these trends, issues and prospects to prepare the region for any positive or negative impact on the region's socio-economic condition. These areas, as identified in the Philippine Development Plan 2017-2022, may include economics, politics, demographics, technology and environment.

Economic Trends

Growth of global economies has been sluggish since the global financial crisis in 2008-2009 without any immediate prospect of renewed economic vigor. Average growth of the economy had gone down from 5.1 percent in 2003-2007 to 3.2 percent in 2008-2015.¹ Since some sectors of the regional economy of Central Visayas are tied up with the export markets, this situation has and will continue to affect its merchandise exports especially those industries which are located in the various export processing zones mostly in the province of Cebu. It is therefore important for the Central Visayas region to explore new markets, develop new export products and undertake research and development to diversify products, innovate and become more competitive.

Weak Export Market

The export performance of the region has been on a boom-and-bust cycle for the last seven years. Performance of the sector has been greatly affected by the economy of the export markets, which will continue to affect this sector. While the region has little control over this phenomenon, it is imperative for it to know the prospects in the international scene to identify and implement mitigating measures.

This weak export market has likewise resulted to the weak performance of the region's imports as many export products of the region are heavily dependent on imported materials. Again, the double strategy of exploring new export markets and developing new export products should be complemented with a third strategy of harnessing local raw materials for manufactured goods which would cater to local consumption.

The region's economy is dependent on imported oil. Oil prices are also expected to rise gradually following the agreement among OPEC members and several other major producers to limit supply. Nevertheless, oil prices are not expected to return to pre-2014 levels given the rise of shale oil, in addition to increasing the adoption of renewable

¹National Economic and Development Authority, *Philippine Development Plan, 2017-2022*, (Pasig City: NEDA, 2017) 15.

energy and conservation measures. Figure 2.1 shows the actual and projected average prices of oil up to 2025.²

Foreign Investments

ASEAN received only US\$52 billion in Foreign Direct Investments (FDIs) on average in 2003-2007, but this increased by 93 percent to US\$100.2 billion on average in 2008-2015. In 2015, FDI in low-income economies such as Myanmar and Vietnam soared, but this was offset by the lackluster performance of higher-income countries, including Indonesia, Malaysia, and Singapore.

Hindered by the current global and regional economic slowdown, FDI inflows to developing Asia are expected to decline in 2016 by about 15 percent, reverting to their 2014 level. Data on cross-border merger and acquisition sales and announced greenfield investment projects support the expected decline. However, flows to Asian economies such as China, India, Myanmar, and Vietnam are likely to see a moderate increase in inflows in 2016. Over the medium term, global FDI flows are projected to resume growth in 2017 and to surpass US\$1.8 trillion in 2018, reflecting an expected increase in global growth.

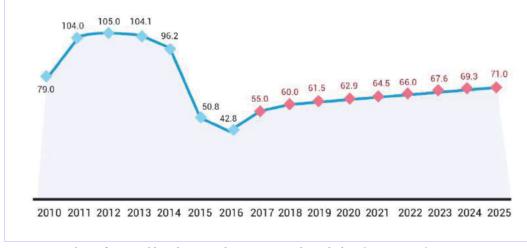
There are indications that intraregional investments are rising, and among the most important industries driving this development are infrastructure and electronics. In 2015, 53 percent of the value of greenfield projects came from developing Asia, particularly from China, India, the Republic of Korea, and Singapore.³

This development in the international community will impact on the investment situation of the region. It should be noted that investments in Cebu Economic Zones in 2012 and 2013 had reached an average of PhP25 billion per year. However, this declined to PhP9.9 billion in 2014 and went down further to PhP8.4 billion in 2015.

Political Trends

As a consequence of the global financial crisis, there has been a growing backlash on the consequences of globalization. Over the medium-

Figure 2.1 Average Crude Oil Price (in US\$/bbl)



Source: Actual Data from World Bank Commodity Price Data - the Pink Sheet (January 2017); Forecasts in red from World Bank Commodity Market Outlook (January 2017).

² Ibid., 16.

³ UNCTAD, October 2016. Global Investment Trend Monitor

term, it can be expected that politicians and interest groups will capitalize on the backlash to push for populist and protectionist agenda. This situation raises the risk of providing an avenue for the rise (or reinforcement) of authoritarian governments.

This backlash seems to be manifested in the results of the United Kingdom (UK) referendum on Brexit and the US Presidential elections. The UK seems headed for a "hard Brexit", wherein it would likely leave the EU Single Market, though possibly in phases. While the UK government is keen on concluding the process within two years as provided under Article 50 of the EU Treaty, negotiations on the terms could take much longer, leading to further uncertainties. A full-blown trade war between the US and China could plunge the global economy into a recession.

Upcoming changes in political leadership in France, Germany, Netherlands, and Italy could further fuel this trend, possibly calling into question the future of the European project. Political developments in China and Russia need to be keenly watched as well.⁴

Ageing Populations

The ageing workforce in advanced economies such as Europe, Northern America, China, and even in the ASEAN such as Thailand and Vietnam, will continue to support the demand for migrant workers. In contrast, the workforce in the Philippines will remain relatively young for some time. However, the backlash against globalization is also bringing a rising sentiment against immigration in some countries. This could lead to more stringent migration policies and procedures, as well as to less hospitable working environments for migrant workers.

In Central Visayas, a total of 227,803 migrant workers have been recorded in 2013. For the last

5 years, they were able to remit back an average of PhP35.72 million per year. This money has contributed to the increase in domestic consumption which includes demand for housing and real properties. Thus, if demand for foreign workers will decrease in the coming years, this will have repercussions on the domestic consumption in the region.

Upcoming Disruptive Technologies⁵

Among the most promising and potentially disruptive emerging technologies are the Internet of Things (IoT), big data analytics, artificial intelligence, neurotechnologies, nano- or microsatellites, nanomaterials, additive manufacturing, advanced energy storage technologies, synthetic biology, and blockchain.

The Internet of Things envisions a hyperconnected, digitally-responsive society. The largest impacts are expected in the health care sector, the manufacturing sector, network industries, and local government. While it has great potential to support human, societal, and environmental development, several safeguards need to be put in place to ensure data protection and security.

Big data analytics is defined as a set of techniques and tools used to process and interpret large volumes of data that are generated by the increasing digitization of content, the greater monitoring of human activities, and the spread of the Internet of Things. This will play a key role in innovation and competitiveness of firms. Its application to public sector data can improve government policies and public services. Monitoring and predictive analytics can lead to earlier detection of pathologies. However, it is important to balance the need for openness with the threats to privacy, security, equity, and integrity.

⁴ National Econmic and Development Authority, *Philippine Development Plan*, 21.

⁵ Ibid., 25-26.

Artificial intelligence is defined as the ability of machines and systems to acquire and apply knowledge and carry out intelligent behavior. This technology makes robots capable of adjusting to changing working conditions, reduces work accidents, and enhances decision-making in hazardous and dangerous situations that could lead to substantial savings and raise productivity.

Demand for knowledge workers who are able to develop artificial intelligence will increase. Creative or tacit knowledge, which is less codifiable, and skills requiring social interaction or physical dexterity, which are less easily automatable, are likely to remain unaffected.

Advances in artificial intelligence are expected to have beneficial impacts in the fields of health, environment, etc. It may take more time though before societies and governments become at ease and are able to put in place the appropriate regulations for its use, especially in sensitive areas such as transport and medicine. However, application of artificial intelligence in less sensitive areas such as voice computing could see faster progress, posing a challenge to the call center industry for instance.

Neurotechnology can be defined as any artificial means to interact with the brain and nervous system to investigate, access and manipulate the structure and function of neural systems. These could greatly enhance diagnosis and therapy. However, some neurotechnologies raise certain ethical, legal, social and cultural questions.

Nano/microsatellites, which weigh between 1 kilogram (kg) and 50 kg, offer vast opportunities in terms of the speed and flexibility of construction and can be used for navigation, communications or remote sensing – for both civilian and defense purposes. Increasing use of such satellites requires the right regulatory frameworks and business environments to ensure proper use.

Nanomaterials are defined as material with any external dimension in the nanoscale (10⁻⁹ meter).

These typically display unique optical, magnetic, and electrical properties that can be applied in various areas, from healthcare to energy technologies. However, technical constraints and uncertainties over their toxicity to humans and the environment need to be considered.

Additive manufacturing is also commonly known as three-dimensional (3D) printing and encompasses different techniques that build products by adding material in layers, often using computer-aided design software. 3D printing technologies may bring about new products in health, medicine, biotechnology, and metal processing among others. It could lead to changes in work and production patterns. As 3D printing becomes more accessible, legal and regulatory issues regarding data protection, product liability and intellectual property will become increasingly important.

Energy storage technology can be defined as a system that absorbs energy and stores it for a period of time before releasing it on demand to supply energy or power services. Advances in this technology are important to optimize energy systems and allow the integration of renewable energy systems. As the materials, technologies and deployment applications for storing energy are created, ensuring safety, minimizing the risk of failure, and loss are crucial.

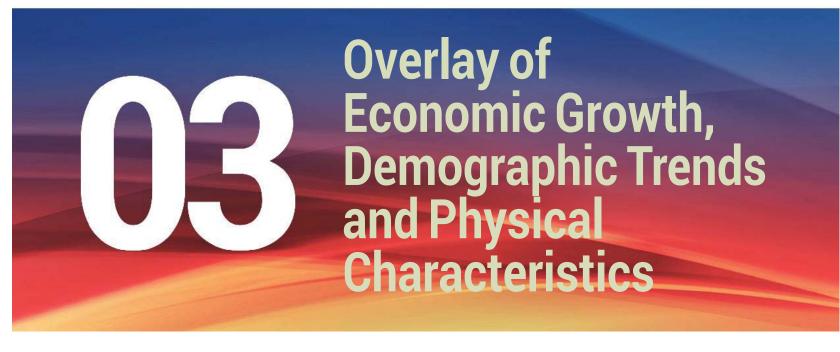
Synthetic biology is a new field of research in biotechnology that draws on engineering principles to manipulate the genetic make-up of organisms. It allows new biological parts to be constructed and the natural biological systems to be re-designed. It is expected to have a wide range of applications in health, agriculture, industry, and energy, but it also raises major legal and ethical issues.

The **Blockchain** is a database that allows the transfer of value within computer networks. This technology is expected to disrupt several markets by ensuring trustworthy transactions without the necessity of a third party. However, it is

constrained by unresolved technical issues and risk of abuse for illegal purposes.

Environmental Trends

The science of climate change may continue to be controversial and highly uncertain, though there is a majority professional consensus predicting gradually rising average temperatures and climate volatility. The next six years is filled with great challenges for policymakers in emerging economies, such as the Philippines, which have little control over these global and regional trends In Central Visayas climate change will continue to affect the agriculture and fishery sectors which have not been performing very well in terms of production for the last few years. Farming will become less predictable as rainfall may change overtime leading to low farm productivity and low farm income. This will contribute to higher poverty incidence, which unfortunately is highest in the agriculture and fishery sector. This situation will affect the supply of agri-fishery products leading to high food prices which will have the biggest impact to the low-income households.



Chapter 3

Overlay of Economic Growth, Demographic Trends, and Physical Characteristics

Central Visayas aims to achieve a more inclusive growth by reducing inequality in opportunities for human development across provinces. Growth strategies will therefore include a spatial/ locational component.

The Central Visayas Regional Development Plan espouses a regional spatial strategy that is geared towards the following: (1) promoting the growth of major urban centers as drivers and venues of local and dispersed growth and poverty reduction; (2) improving connectivity to facilitate the movement and flow of people, goods, services, investments, and information, and achieve economic integration; and (3) building resilience of the population and communities to calamities and hazards. It is based on an examination of the economic, social, institutional, and environmental conditions as well as opportunities for further growth.

Physical Characteristics

Central Visayas (Region 7) is situated at the geographical center of the Philippines, between

the major islands of Luzon and Mindanao (*see Figure 3.1*). Four island provinces compose the region: Bohol, Cebu, Negros Oriental, and Siquijor. Metro Cebu, the premier urban center

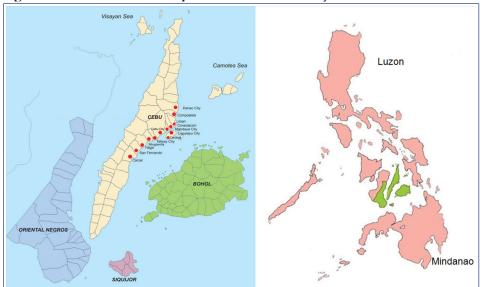


Figure 3.1 Location and Composition of Central Visayas

Source: Central Visayas Regional Physical Framework Plan, 2003-2030

in Central Visayas, is located in the central eastern seaboard of Cebu.

Central Visayas is the third smallest region in the country with a total land area of 15,872.57 square kilometres (sq.km.). It constitutes about five percent of the country's land area. Negros Oriental accounts for the largest share of the regional land (34.1 percent), followed by Cebu (33.7 percent), Bohol (30.1 percent), and Siquijor (2.1 percent).

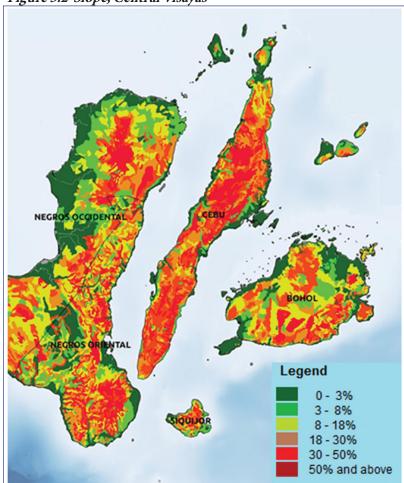
With the exception of Bohol, the topography of Central Visayas is rugged and is characterized by highlands dominating the interior of the provinces, with narrow strips of arable land lining the coast (*see Figure 3.2*). About 62 percent of the regional land is hilly to mountainous with slopes above 18%. This implies that a larger portion of the region is not suitable for agriculture production, settlements, and general development.

Economic and Demographic Trends

The spatial distribution of population is a manifestation of the level of economic development of a region. The more progressive economies tend to experience major shifts in the spatial distribution of population and economic activities towards greater concentration.

In the case of Central Visayas, Cebu with its established and large cities (Metro Cebu) is the

Figure 3.2 Slope, Central Visayas



Source: Visayas Spatial Development Framework 2015-2045

fastest growing province in the region. It has the biggest population and accounts for the largest share of the gross regional domestic product (GRDP). In the other provinces, the largest city is almost always the provincial capital and dominates in population levels and economic activity.

Regional Economic Structure

Although Central Visayas is one of the fastest growing economies in the country, the bulk of its economic activities is concentrated in Metro Cebu where majority of the population is also concentrated. From 2011 to 2016 the regional economy grew at an average annual rate of 7.5 percent, the fastest growth rate in the country and higher than the national average of 6.4 percent. About 80 percent of the total industrial output of the region was accounted by Cebu, while the remaining 20 percent was accounted by the rest of the provinces. The economic dominance of Cebu has persisted for years even with the development of other urban centers in the region.

Population Distribution

Central Visayas is the fifth most populous region in the Philippines. The 2015 Census of Population estimates the total population of the region to be 7,396,898 which is about 7.3 percent of the country's total. The average annual growth rate (AAGR) is 1.70 percent in 2010-2015. This is lower than the 1.77 percent AAGR registered in 2000-2010, is the fifth fastest in the country, and is slightly higher than the national average of 1.72 percent.

The population is concentrated in Cebu, accounting for 63 percent of the region's population in 2015, while the remaining 37 percent is distributed among the three other provinces of the region (*see Figure 3.3*). Cebu had also the highest population growth rate of 2.14 percent, higher than the regional average. Siquijor, the smallest province in Central Visayas in terms of land area, had the smallest population of less than a hundred thousand, while Bohol had the lowest population growth rate of 0.87 percent during the period 2010-2015.

Of the 4.6 million people in Cebu, 62 percent reside within the Metro Cebu area. Between 2010 and 2015, the population of Metro Cebu grew by 2.23 percent, faster than the province's growth rate of 2.14 percent. The population outside of Metro Cebu grew by only 1.99 percent.

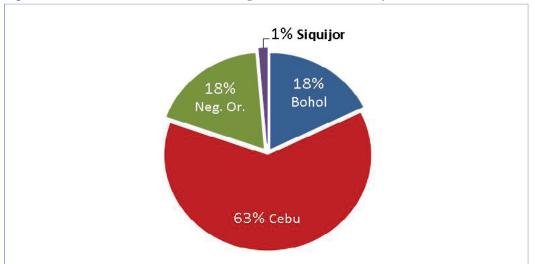


Figure 3.3 Provincial Distribution of Population, Central Visayas, 2015

Source: Philippine Statistics Authority

If the current rate of growth persists, Central Visayas' population is expected to double in about 40 years, and that of Cebu and Metro Cebu specifically is estimated to double in 32 and 31 years, respectively.

Population Growth of Major Cities and Municipalities

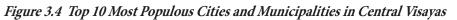
The region's three highly urbanized cities (HUCs), namely Cebu City, Lapu-lapu City and Mandaue City, accounted for about a quarter of the region's population in 2015. Toledo City, ranked fifth in terms of population size, and Dumaguete City in Negros Oriental, ranked ninth, are the only cities in the top 10 most populous cities/municipalities in the region that are located outside of Metro Cebu (*see Figure 3.4*).

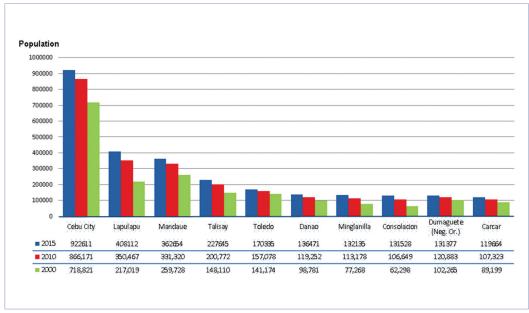
The fastest growing municipalities/cities in 2015 were Consolacion, Lapu-lapu City, Liloan, and Cordova. These four LGUs are located either contiguous to, or in close proximity with, the already densely populated urban centers of Cebu City and Mandaue City. Cebu City, the most populous city in the region, posted the lowest growth rate among LGUs in Metro Cebu at 1.21 percent. Its population growth rate has been declining since the 70's.

Population Density

The population density of the region rose from 307 persons per square kilometre in 1990 to 495 persons per square kilometre in 2015, higher than the national average of 337 persons per square kilometer. This makes Central Visayas the fourth most densely populated region in the country, next to the National Capital Region, CALABARZON, and Central Luzon. Among the region's provinces, Cebu is the most densely populated with 867 persons per sq. km. More than half of Cebu's population, however, reside in Metro Cebu which has a population density of 2,186 persons per sq. km. in 2015. (s*ee Figure 3.5*)

Siquijor with about a third of the population density of Cebu at 284 persons per sq. km. is the second most densely populated province. Siquijor, Bohol, and Negros Oriental have population densities lower than the national average. In general, the three provinces' coastal municipalities that face Metro Cebu and Mindanao have





Source of basic data: Philippine Statistics Authority

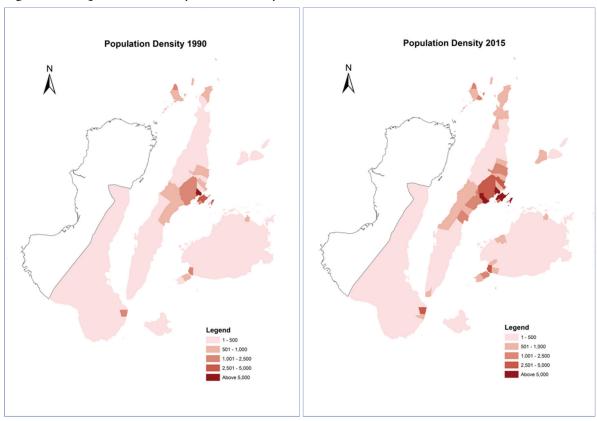


Figure 3.5 Population Density, Central Visayas, 1990 and 2015

Source: Central Visayas Spatial Development Framework, 2016-2045

relatively high population densities. Concentration of people is also heaviest in areas with a port and near the provincial capital. This shows that accessibility to trading partners and other economic opportunities is a major factor in decisions of people where to live.

Urbanization

The urban population in Central Visayas has grown steadily over the years, reaching almost 44 percent of the total regional population in 2010 from only about 22 percent 50 years back or in 1960. Most of the urbanization happening in the region, however, is centered in Metro Cebu as it accounted for 73 percent of the total regional urban population in 2010 (*see Figure 3.6*). Majority of the cities and municipalities in Central Visayas are still predominantly rural with the urban population comprising less than one-fifth of their total population. Metro Cebu with over 2.8 million people in 2015 is the principal urban center in Central Visayas and the second largest in the country, next to Metro Manila. Seven cities and six municipalities comprise the present Metro Cebu with Cebu City as the core (*see Figure 3.9*). From 1980-2010, the urban population of Metro Cebu grew at an average annual rate of 3.39 percent while the rural population grew at a much slower pace of 0.86 percent. Due to topographical constraints, linear expansion of urban development in Metro Cebu has occurred following the coastline. There is a 42-kilometer continuous built-up strip along the coastal road from Compostela to Naga.

The four other urbanized cities in the region with at least 50 percent of the total population residing in the urban areas are Tagbilaran City in Bohol, Toledo City in Cebu, and Dumaguete City and Bayawan City in Negros Oriental. Tagbilaran and

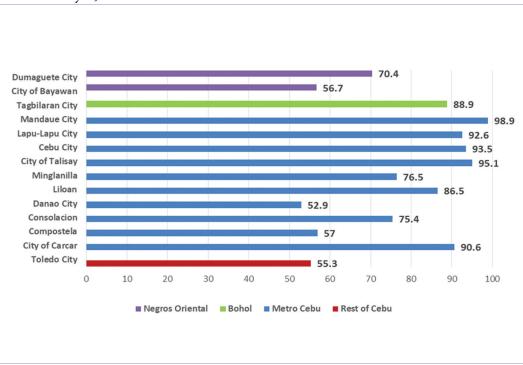


Figure 3.6 Cities and Municipalities with Urbanization Level of 50 Percent or More, Central Visayas, 2010

Source of basic data: Philippine Statistics Authority

Dumaguete owe a larger part of their growth to their status as provincial administrative centers while Toledo owes its growth to its export processing zone and port which is a major jumpoff point to Negros Island, and Bayawan to its port which is an alternate jump-off point to Northern Mindanao.

Challenges

Physical constraint. Unlike other regions in the country, Central Visayas' provinces are separated from each other by bodies of water. This fragmented configuration of the region poses a challenge in the efficient movement of goods and people across provinces. Trade especially with other regions can be more costly and prone to disruptions due to weather disturbances.

The topography of the region, which is largely rugged with narrow plains along the coastline, also poses a limitation to the economic activities that can be undertaken and to the location of settlements.

Creating an economically, socially, and physically integrated region is thus a challenging task.

Environmental hazards. Central Visayas, like any other region in the Philippines, is exposed to both hydrometeorologic and geologic hazards. Its location and geographic landscape makes it vulnerable to these two types of hazards. (*see Figure 3.7*)

The long stretch of coastline makes the region highly susceptible to sea level rise and storm surges. In particular, Cebu and Bohol are highly susceptible to extreme storm surges. Occurrences of tropical cyclones in Central Visayas have also become more frequent in recent years due to the shift in the tracks of tropical cyclones. A study done by the National Institute of Geological Sciences of the University of the Philippines in 2013 revealed that the percentage of tropical cyclones entering Luzon and Bicol slightly decreased while those entering Visayas-Mindanao went up by 0.8 percent to 10.6 percent¹.

Flood is another hydrometeorologic hazard common in Central Visayas particularly in the highly-urbanized Metro Cebu area due to poor drainage system. Floods probably injure more people and damage more property than any type of natural hazard that the region is exposed to. Landslide induced by heavy and/or continuous rainfall is likewise a common occurrence because of the region's topography and soil type.

Central Visayas, in particular Negros Oriental, is site of one active volcano – Kanlaon. The direct danger zone of Kanlaon Volcano encompasses approximately 14,000 hectares in the Negros Oriental side and mainly covers Canlaon City. Since 1866, Kanlaon Volcano has had at least 25 episodes of eruptions. Until the 7.2 magnitude earthquake hit Bohol in October 2013, earthquake-related hazards were not considered potential sources of disasters in Central Visayas. Indeed, for more than a decade, the region had not been affected by a damaging earthquake. The fault in Bohol which generated the 7.2 magnitude earthquake was previously unknown to the Philippine Institute of Volcanology and Seismology (Phivolcs) as it had no surface manifestation. The Bohol earthquake has compelled the national and regional authorities to review the region's susceptibility to earthquakerelated disasters. The fault lines present in the Provinces of Cebu and Bohol are now considered potential sources of major disasters.

The region needs to identify policies and activities to minimize damage to properties and loss of life due to the above environmental hazards.

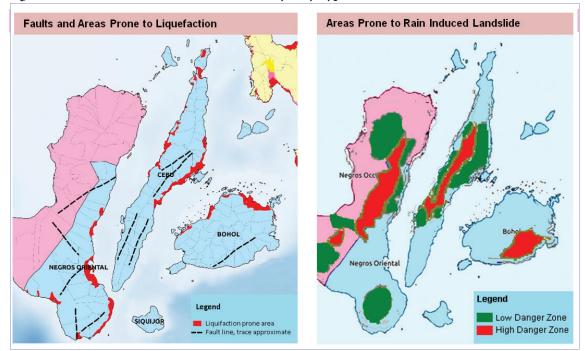


Figure 3.7 Hazard Prone Areas in Central Visayas by Type of Hazard

Source: Visayas Spatial Development Framework, 2016-2045

¹ Carlos Primo C. David, Bernard Alan B. Racoma, Jonathan Gonzales and Mark Vincent Clutario, "A Manifestation of Climate Change? A Look at Typhoon Yolanda in Relation to the Historical Tropical Cyclone Archive", *Science Diliman* 25, No. 2 (2013): 84. http://journals.upd.edu.ph/index.php/sciencediliman/article/view/4425/4014.

Urban expansion. The rapid growth of the urban population and increased economic activity in the urban centers has heightened the demand for land. Urban land requirement for housing, for one, is becoming a critical issue. As a result, productive agricultural lands that are located near urban expansion areas have slowly been converted to urban uses, which is perceived as a threat to food security. Land development has also been observed to extend to protected, environmentally critical and hazard-prone areas.

Regional Spatial Development Strategy

The spatial development goals of the region are: the rational distribution of population, settlements, and economic activities; the economic integration of the provincial economies; the equitable access of economic opportunities and resources, and; the protection of the environment and reduction of vulnerability to hazards and climate change.

The regional spatial strategy consists of three components: agglomeration by directing growth to key urban centers, connectivity, and vulnerability reduction. The strategy on agglomeration will tap into the potential of major urban centers in the provinces to foster local economic growth, generate jobs, and increase incomes. It involves planning for and guiding increases in densities of settlements to achieve economies of scale and efficiency.

The strategy on connectivity seeks to increase and improve linkages among major urban centers/ settlements, key production areas, and market centers through the provision of infrastructure and related services. It also seeks to facilitate agglomeration by supporting the growth of subregional urban centers.

The strategy on vulnerability reduction aims to minimize the impacts of hazards by building resilience, which can be defined as the ability of settlements and the population to immediately bounce back following the occurrence of disasters. The concern on vulnerability reduction stems from the realization that disasters can negate previous gains and even push back development, thereby increasing poverty.

Central Visayas Network of Urban Centers

Consistent with the National Spatial Strategy, the Central Visayas proposed network of urban settlements is composed of six tiers: (1) Metro Cebu as the metropolitan center, (2) (Metro) Tagbilaran as the regional center, (3) four subregional centers, (4) six provincial centers, (5) nine urban service centers/corridors, and (6) three special service centers. (*see Figure 3.8*)

Metro Cebu as Metropolitan Center. Metro Cebu is the second largest urban center in the country next to Metro Manila, with links to a number of provinces in Luzon, Visayas and Mindanao. In the National Spatial Strategy, Metro Cebu is expected to serve as the metropolitan center not only in Central Visayas but the whole Visayas region.

As metropolitan center, Metro Cebu shall serve as the primary international gateway to and from international destinations together with Metro Manila. It shall also be the hub of travel to various domestic destinations in the country. It shall serve as the economic, administrative, financial and logistics center of the Visayas. Metro Cebu has the second busiest international airport and international port to back its drive for increased growth.

The present Metro Cebu is composed of six cities and seven municipalities. The rapid growth of Metro Cebu has spurred the Regional Development Council to start looking beyond the present geographical coverage and to include other municipalities within a 50 kilometer radius in the planning of major programs and projects for Metro Cebu. The expanded area shall

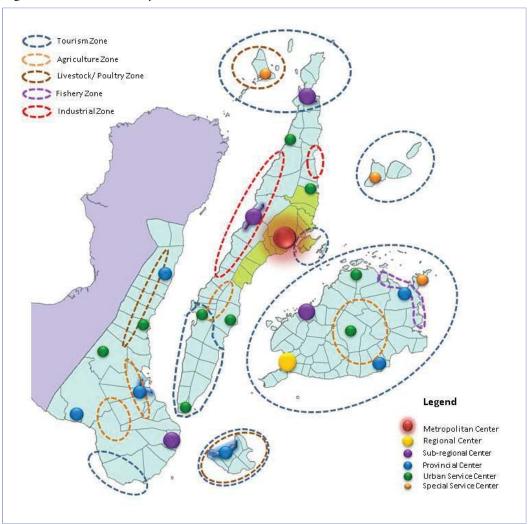


Figure 3.8 Central Visayas Network of Urban Centers and Functions

Source: Central Visayas Regional Spatial Development Framework 2016-2045

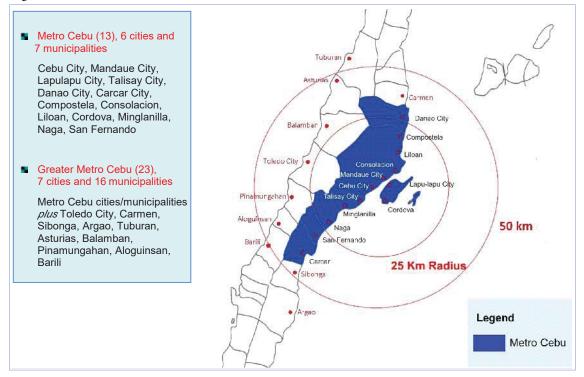
constitute the Greater Metro Cebu and shall encompass 7 cities and 16 municipalities.² (*see Figure 3.9*).

(Metro) Tagbilaran as Regional Center. Tagbilaran City in Bohol is one of the faster growing urban centers in Central Visayas. It ranks 13th among the major urban settlements in the region in terms of population and is one of only three LGUs among the top 13 major settlements that is not part of Metro Cebu. There is the perception that Tagbilaran will soon grow beyond its boundaries especially with the completion of major projects such as the new airport, and that a Metropolitan Tagbilaran will emerge composed of five local government units. These are Tagbilaran City, Cortes, Baclayon, Dauis and Panglao.

Tourism is one of Bohol's fastest growing industry and a major growth driver. Tagbilaran plays a key role in the growth of the province as the primary gateway to Bohol's various tourism destinations.

² National Economic and Development Authority Region 7, *Central Visayas Regional Spatial Development Framework: 2016-2045,* unpublished document.

Figure 3.9 Defined Area of Metro Cebu



Source: Central Visayas Regional Spatial Development Framework 2016-2045

Tagbilaran City has direct linkages both by air and sea to Metro Manila and Metro Cebu, the country's two major urban centers, and other urban centers in the country; hence, its designation as a regional center in Central Visayas. Following the completion of the new airport in Panglao, Tagbilaran's reach is anticipated to extend to more urban centers in the country and even major cities outside the Philippines.

As regional center in Central Visayas, (Metro) Tagbilaran is expected to support not only the economy of Bohol but the regional economy as well. Tagbilaran shall serve as regional market and service center to other provinces such as Siquijor while providing direct linkages to the metropolitan center (Metro Cebu).

Sub-regional Centers. There are four areas proposed as sub-regional centers/ urban corridors in Central Visayas: Bogo City-San Remigio (Cebu) urban corridor, Toledo City-Balamban (Cebu) urban corridor, Tubigon (Bohol), and Dumaguete City (Negros Oriental). The sub-regional centers

shall serve as market catchment of any spill over of economic activities from the regional center and/or metropolitan region. Hence, it is essential that the sub-regional centers have direct linkage with the metropolitan center and/or regional centers, which is already the case.

Like Tagbilaran City, Dumaguete City is anticipated to grow beyond its boundaries and will become a metropolitan center in the medium term based on its projected urban population growth and functional role as gateway to Northern Mindanao. The plan to transfer the airport to Sibulan from Dumaguete is expected to hasten the process of integration. The *Metro* Dumaguete that will emerge will be made up of the city of Dumaguete, and the municipalities of Sibulan, Bacong, Valencia, and Dauin.

As sub-regional centers, the above-mentioned cities/municipalities shall serve as service centers of nearby smaller provincial and local centers. In addition, the common functional roles to be performed by sub-regional centers can include tourism hub for Tubigon, industrial center in the case of Balamban with its shipbuilding industry and Toledo with its mines, higher education center for Dumaguete City, and agri-industrial center for the Bogo-San Remigio urban corridor.

Provincial Centers. Provincial centers are typically the large or major cities or municipalities of the provinces. Like the sub-regional centers, the provincial centers shall serve as market and service centers of the provinces but in a smaller and more limited scale. Generally, the service coverage of these centers extends to cities or municipalities within the confines of the respective province only. Some centers though, which are host to ports, such as Jagna and Ubay, have developed linkages with local government units located in other provinces through the sea routes. These local government units can benefit from increased growth by improving linkages. They also provide alternative access points to other provinces.

The planned (6) provincial centers in Central Visayas are: Siquijor-Larena urban corridor in Siquijor province; Ubay and Jagna in Bohol; Bais City-Tanjay City urban corridor, Bayawan City, and Guihulngan City in Negros Oriental. As with the sub-regional centers, two or three adjacent municipalities can merge to form an integrated urban (provincial) corridor such as the case of Siquijor and Larena.

CENTER	COVERED AREAS
Metropolitan Center	Metro Cebu
Regional Center	<i>(Metro)</i> Tagbilaran (Bohol)
Sub-Regional Centers	Bogo-San Remigio urban corridor (Cebu),
	Toledo City-Balamban urban corridor (Cebu),
	(Metro) Dumaguete (Negros Oriental)
	Tubigon (Bohol)
Provincial Centers	Bais City-Tanjay City urban corridor (Negros Oriental)
	Bayawan City (Negros Oriental)
	Guihulngan City (Negros Oriental)
	Jagna (Bohol)
	Ubay (Bohol)
	Siquijor-Larena urban corridor (Siquijor)
Urban Service Center	Argao (Cebu)
	Danao City-Carmen (Cebu)
	Moalboal (Cebu)
	Santander (Cebu)
	Tabuelan (Cebu)
	Carmen (Bohol)
	Getafe-Talibon urban corridor (Bohol)
	Ayungon (Negros Orienal)
Creasial Comica Contorra	Mabinay (Negros Oriental)
Special Service Centers	Bantayan Island (Cebu),
	Camotes Island (Cebu)
	C.P. Garcia (Bohol)

Table 3.1 Proposed Network of Urban Centers

Source: Central Visayas Regional Spatial Development Framework, 2016-2045

Urban Service Centers/Corridors. Considered as the most suitable areas for urban development in the countryside, urban service centers are proposed to be the providers of a range of urban services to several surrounding local centers. These urban services include higher levels of public and private services normally provided or needed in major urban areas, including: district/ secondary hospitals, medical laboratories, banks, disaster management and emergency response centers, shopping malls, and recreational facilities.

Figure 3.8 shows the proposed urban service centers/corridors in the region. They include Argao, Danao City-Carmen urban corridor, Moalboal, Santander, and Tabuelan in Cebu; Carmen and Getafe-Talibon urban corridor in Bohol, and; Ayungon and Mabinay in Negros Oriental.

The urban service centers/corridors shall support the sub-provincial/district economy and shall be market catchments of provincial centers.

Special Service Centers. The special service centers shall include the islands of Bantayan and Camotes in Cebu, and C.P. Garcia in Bohol. Separated from the mainland by bodies of water, these areas cannot access to services that are normally provided to areas in the mainland. These areas, however, are not intended to receive a full range of urban services due to their limited size but shall be limited to a few essential services such as power and waterworks system.

Connectivity

Intra and inter-regional economic integration is essential for rapid economic growth to take place. The aim of the region is to integrate and interconnect the provincial economies into a regionwide network of production, processing, marketing, and trading. This calls for the following: enhancement of the roles of the metropolitan, regional, sub-regional, provincial, urban and special service centers and their connectivity; building up the provinces' niches; strengthening of urban-rural and institutional linkages, and; physical integration through the improvement of intra and inter-regional transportation and telecommunication linkages. Physical integration in particular facilitates the movement of people, goods, services, and the exchange of information and ideas. It also helps reduce poverty by increasing access to basic services and development opportunities. (*see Figure 3.10*)

Infrastructure provides the physical connection among the production, protection, and settlement areas. The goal of infrastructure development then is to facilitate physical and economic integration through the adequate provision of the key infrastructure and related services. It also seeks to reduce vulnerability during emergency situations by increasing redundancy of transportation route, communication, and other infrastructure facilities.

Provision of an integrated and intermodal transportation system. The Regional Spatial Strategy advocates for the development of an integrated and intermodal transportation system. This system requires smooth and efficient connections among road, water, and air transportation system and related services, thus, facilitating the flow of goods and people among the island provinces and among the region's urban centers and rural areas, and between the region and the rest of the country and the world.

Construction and upgrading of arterial roads. Priority shall be given to the upgrading and proper maintenance of the arterial (circumferential and north-south backbone) road network, east-west or cross-country arteries, and main roads leading to special economic zones, industrial centers, major agricultural areas, major tourism areas, major ports and airports. The construction of new roads will be undertaken in settlement and production areas where the demand and requirements warrant their construction.

In Metro Cebu, the transportation network will be expanded to include rail and sea-based for a diversified road system.

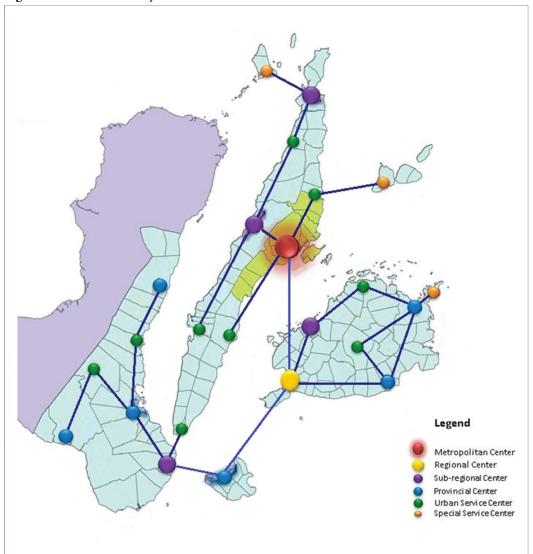


Figure 3.10 Connectivity of Urban Centers/Settlements

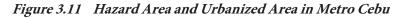
Source: Central Visayas Regional Spatial Development Framework 2016-2045

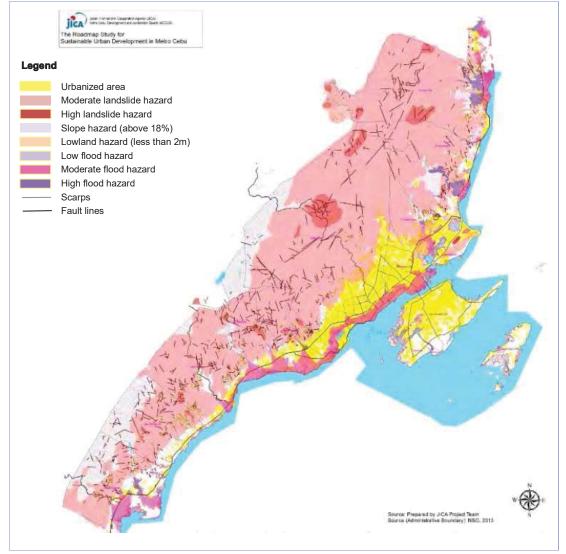
Construction of new international container port, improvement of strategic sea ports, and construction/upgrading of airports. A new international container port for deep bottom vessels will be constructed in Cebu. The improvement of facilities in the region's major ports including those traversed by the Nautical Highway will also be undertaken.

The completion of the new Bohol airport in Panglao Island and the upgrading of the region's secondary airports will likewise be carried out. The construction of a second runway at the Mactan Cebu International Airport will be considered in anticipation of increased traffic as a result of the completion of the new international passenger terminal and greater economic activities in Central Visayas. The transfer of the Dumaguete airport to Bacong will also be studied. (*see Chapter 19*)

Vulnerability Reduction

Vulnerability will be addressed by delineating areas for protection and conservation, identifying areas and population highly vulnerable to hazards and climate change, providing interventions to minimize the impact of disaster, increasing redundancy of transport links and other life-line infrastructure, and institutionalizing quick disaster-response mechanisms and policies. (*see Figure 3.11*)





Source: JICA, MCDCB, Roadmap Study for Sustainable Urban Development in Metro, 2015



Chapter 4

Overall Framework

The Regional Development Plan (RDP) 2017-2022 is the first medium-term plan of the region that is anchored on the country's long-term vision or AmBisyon Natin 2040. The priorities are guided by the 0 to 10-point Socio-Economic Agenda of the Duterte Administration, the 2030 Sustainable Development Agenda (SDA), and the provincial and sectoral consultations conducted by the Regional Development Council (RDC) through its sectoral committees.

The thrust of the RDP 2017-2022 is to lay down the foundation for more inclusive growth, a high-trust and resilient society, and a globally competitive knowledge economy. The period will be characterized by filling the gap or shortfalls and meeting standards in services, catching up to meet standards and sustaining the gains in development. It adopts the good practices of previous administrations and considers the lessons gleaned from these experiences in enhancing the strategies proposed in the new plan.

Assessment and Challenges

Central Visayas is the country's best performing economy during the last plan period (2011-2016). Except in the later years, the region surpassed its gross regional domestic product (GRDP) growth targets, increasing at an average annual rate of 7.5 percent, the fastest growth rate in the country, and much higher than the national average of 6.1 percent (*see Figure 4.1*). The higher economic growth led to the generation of more jobs as the employment rate (95.0 percent in 2016) improved and surpassed the low end target. However, many of the jobs that were generated did not support full employment as the underemployment rate remained high and was even higher during the 2011-2015 period than in 2004-2010.

The region also missed its target for poverty reduction. While the region was able to bring

down poverty incidence among families from a high of 38.2 percent in 1991 to 26.0 percent in 2009 and 23.6 percent in 2015, it was still short of the Millenium Development Goal (MDG) of a 19.1 percent poverty incidence by 2015 (*see Figure 4.2*). The region, however, fared better in meeting its target of bringing down incidence of hunger (subsistence incidence). In 2015, the region recorded a subsistence incidence of 9.8 percent, lower and better than the MDG target of 10.4 percent for the year.

Economic Growth Drivers

Industry and Services drove the growth of the regional economy during the period 2011-2016. Despite a poor performance in 2015 where output of the sector had a flat growth, Industry still posted a respectable 9.4 percent AAGR from 2011 to 2016. This is still however, below the target of 11.2 percent. The region's Services sector also turned in an impressive performance. Except in 2014 and

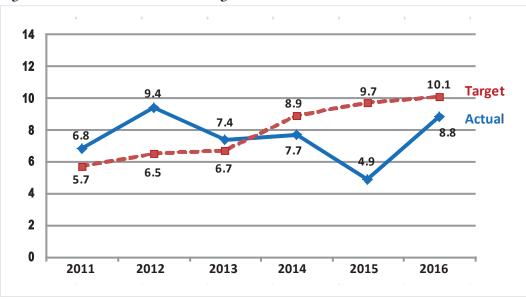
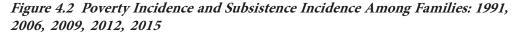
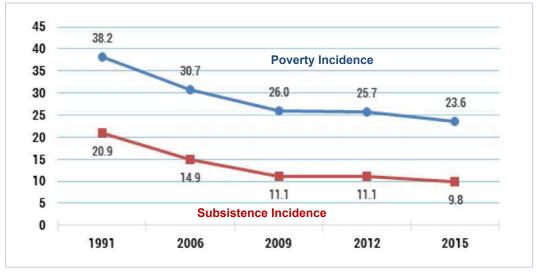


Figure 4.1 GRDP Growth Rates: Target vs Actual, 2011 - 2016

Source : Philippines Statistics Authority





Source: Philippine Statistics Authority

2016, the sector surpassed its targets for all the years to average 7.1 percent for the six-year period, higher than the target average growth rate of 6.7 percent (*see Table 4.1*).

The Mining/quarrying, manufacturing, and construction were the main growth drivers of the

region's industry sector in 2011-2016. In the services sector, banking and allied services, transportation, and real estate/renting/business activities, which includes business process outsourcing, drove the growth of Services.

Table 4.1 GVA Growth Rates of Agriculture, Industry, and Services: Target vs	
Actual, 2011-2016	

Sector		2011	2012	2013	2014	2015	2016	Average
Agriculture	Target	2.7	3.3	-1.5	2.0	3.5	3.5	2.2
	Actual	3.7	-1.6	-0.3	-1.9	2.3	-0.6	0.3
Industry	Target	6.3	7.7	11.5	13.0	14.0	14.5	11.2
	Actual	9.3	12.0	9.5	11.3	0.0	14.6	9.5
Services	Target	5.8	6.4	6.0	7.0	7.3	7.5	6.7
	Actual	5.7	9.1	6.9	6.6	8.7	5.9	7.2

Notes: Figures in **red** imply that the actual accomplishment is below target. *Source: Philippine Statistics Authority*

Need for Greater Inclusivity

Strategic Framework

The failure to bring down poverty incidence to desired levels despite an impressive performance of the regional economy is an indication of the need to make the region's gorwth more inclusive. The MDG scorecard, which includes some key non-income outcomes of inequality, shows poor performance in areas essential for the population to access to development opportunities, such as good health, nutrition, and quality education. Inequality in development also exist among provinces. While Central Visayas is one of the fastest growing regions in the country, the bulk of its economic activities and employment opportunities are concentrated in Metro Cebu. It is estimated that Cebu accounts for 80 percent of the region's total economic output, while the rest of the provinces account for the remaining 20 percent.

More work therefore needs to be done to achieve inclusivity and to increase the access of the population to opportunities that will lead to a better quality of life. Another realization is that disasters can negate previous gains and even push back development. Hence, it is also essential to strengthen resilience of families and communities against disasters, both natural and man-made. The development agenda of the RDP 2017-2022 are: a) increasing public trust in government; b) reducing inequality in access to development opportunities; and c) attaining high and sustainable economic growth. These will be supported by a strong foundation in public order and security, infrastructure development, and ecological integrity (*see Figure 4.3*).

Targets

A summary of the macroeconomic targets for the plan period 2017-2022 are presented in Table 4.2.

GRDP growth rate will accelerate to an annual average of 7.5 to 7.9 percent in real terms from 2017-2022. The regional economy will expand by more than 54.4 percent in 2022 from its base in 2016. This means that the per capita income will increase from PhP64,858 in 2015 to about PhP95,164 in 2022. Industry is targeted to grow the fastest averaging 9.2 percent per year, followed by Services at an average annual growth rate of 6.8 percent. Agriculture, on the other hand, is targeted to expand at an average annual rate of 2.4 percent.

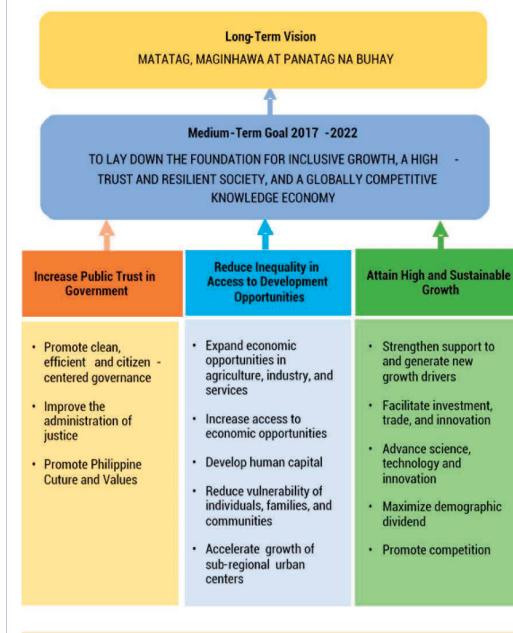


Figure 4.3 Regional Strategic Framework

Enhance peace, order and security Accelerate infrastructure development

Ensure ecological integrity, clean and healthy environment **Poverty incidence among families will decline to 17.6 percent by 2022.** For poverty incidence among population, the proportion of people living below the poverty threshold will go down to 21.7 percent in 2022. This translates to about 265,023 people in Central Visayas who will be lifted out of poverty by 2022.

The unemployment rate will decline from 5.0 percent in 2016 to 3.0-4.0 percent in 2022. A bigger concern, however, is the under-employment rate which is affected by the quality of jobs that is being generated. Emphasis will be on improving the quality of employment to bring down the underemployment rate to 16-18 percent by 2022.

Real investment rate will rise to 32.5 percent by 2022. Central Visayas will rank among the top 3 regions with the highest real investment rate (gross capital formation as a share of GRDP) in 2022.

Strategies

The strategies to achieve the targets fall under the three major pillars of increasing public trust, reducing inequality, and increasing growth potential.

On increasing public trust in government, the aim is to regain peoples' trust in government institutions through good governance, enhancing the competence of public institutions in the delivery of services, improving the administration of justice, and intensifying multi-sectoral approach, interlocal cooperation, and convergence of services (*Chapters 5 and 6*). Public trust is essential to foster greater private sector engagement in the development activities of the region and sustain these beyond the medium-term.

Values for the common good will be promoted using social media and will be integrated in the

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INDICATORS		2017	2018	2019	2020	2021	2022	AVERAGE 2017-2022
GRDP Growth Rate	Low	6.4	6.9	7.6	7.8	8.0	8.3	7.5
	High	6.9	7.4	7.8	8.3	8.5	8.8	7.9
GVA Growth Rate:								
Agriculture, Fishery,	Low	1.8	2.2	2.5	2.6	2.7	2.8	2.4
Forestry	High	2.2	2.6	2.6	2.8	2.9	2.9	2.7
Industry	Low High	7.9 8.4	8.5 8.9	9.3 9.6	9.5 10.0	9.7 10.2	10.0 10.5	9.2 9.6
Services	Low	5.9	6.3	6.9	7.1	7.3	7.5	6.8
	High	6.4	6.8	7.1	7.6	7.8	8.0	7.3
Gross Capital Formation	Low	29.0	30.0	30.7	31.4	32.0	32.5	30.9
Share in GRDP	High	29.5	30.5	31.2	31.9	32.5	33.0	31.4
Employment Rate (%)	Low High	95.2 95.5	95.5 95.8	95.8 96.1	96.1 96.4	96.4 96.7	96.7 97.0	96.0 96.3
Unemployment Rate (%)	Low	4.5	4.2	3.9	3.6	3.3	3.0	3.7
	High	4.8	4.5	4.2	3.9	3.6	3.3	4.0
Poverty Incidence Among Families		22.6	21.6	20.6	19.6	18.6	17.6	
Poverty Incidence Among Population		26.1	25.3	24.4	23.5	22.6	21.7	

Table 4.2 Macroeconomic Targets, Central Visayas: 2017-2022

school curricula (*Chapter 7*). The people in Central Visayas will also be made more aware of and will learn to value cultural diversity and shared heritage. Heritage conservation plans will be formulated and implemented especially in disaster-prone areas.

Expanding economic opportunities in agriculture, industry and services, and increasing access to these opportunities particularly of economic groups and lagging communities will result to a more inclusive growth (Chapters 8 and 9). Reducing vulnerability through social protection and the development of human capital will also be vigorously pursued (Chapters 10 and 11). Social protection programs will focus on priority beneficiaries and unserved/underserved areas and sectors. These include, among others, farmers, fishermen, women, children, persons with disabilities as well as micro, small and medium enterprises. The region will also lay the groundwork to address the issues in the housing sector (Chapter 12).

Attaining high and sustainable growth shall be achieved by strengthening support to the region's growth drivers as well as generating new growth drivers (*Chapters 15 and 16*). Infrastructure development will be directed towards improving connectivity and productivity (*Chapter 19*). Public-Private Partnership (PPP) in the provision of infrastructure will be fostered through more responsive and streamlined guidelines. Technology adoption will also be promoted and innovation encouraged (*Chapter 14*). There will likewise be aggressive efforts to ensure that families will be of the size that can be adequately cared for (*Chapter 13*).

All of the above strategies will be underpinned and supported by maintaining peace, order, and security (*Chapters 17 and 18*). The effective delivery of services as well as the attainment of economic growth and progress can only prosper in an environment of peace and stability. The approach will be comprehensive and will include information and education campaigns, community mobilization, and military-policecommunity partnership.

The region will also ensure the protection of the environment and natural resources (ENR) even as it continues to pursue economic progress (*Chapter 20*). This is in recognition of the ENR's critical and multifarious functions, such as groundwater recharge, habitat of wildlife, regulator of air quality, sources of raw materials for industries, and livelihood and recreation for the people. The RDP will promote policies that will preserve the region's natural resources and the environment. These will include programs and activities that will rehabilitate, reforest, regenerate and conserve the forestlands, uplands, watercourses, wetlands, shorelands, marine and other natural resources of the region.

PART II ENHANCING THE SOCIAL FABRIC ("MALASAKIT")



Chapter 5

Ensuring People-Centered, Clean and Efficient Governance

The development of Central Visayas is underpinned by the region's adherence to good governance and sound institutions. Institutions provide the rules, organizations, social norms and the system for their enforcement, which are necessary for economic growth and long-run development.

Institutional and governance issues, including corruption, red tape, weak enforcements of contracts and laws, need to be addressed to improve not only the investment climate of the region, but more importantly to ensure that the development of the region becomes socially inclusive.

Assessment and Challenges

Central Visayas pursued programs aimed at promoting good governance and further strengthening the development institutions in the region. In line with the region's pursuit of bureaucratic reform for better governance, a total of 161 government offices had approved and already have functional strategic performance management system (SPMS) from 2012 to 2016. The compliance with the SPMS provided the concrete linkage between the agencies' organizational performance and the Philippine and Regional Development Plans.

The region likewise continued to promote and strengthen decentralization among the LGUs through the implementation of the Seal of Good Local Governance (SGLG). The SGLG assessed the LGUs in the region on three core areas of governance, namely: good financial housekeeping; disaster preparedness; and social protection. It also asessed LGUs on three other essential areas such as business friendliness and competitiveness, peace and order, and environmental management. To be considered for the SGLG Award, the LGUs needed to pass the three core areas, and at least one of the three essential areas.

In CY 2015, the provinces of Bohol, Cebu, Negros Oriental and Siquijor were conferred the SGLG award by the Department of the Interior and Local Government (DILG). Twenty-three cities and municipalities in the regions were also conferred the SGLG awards as enumerated in Table 5.1.

The region's development councils continued to provide for greater collaboration between the government and the private sectors in promoting inclusive growth. At the barangay level, all barangays in the region had operatinalized their respective local development councils.

The region also intensified the implementation of Republic Act No. 9485, otherwise known as the

PROVINCE	AWARDEES
Bohol	Bohol Province, Alicia, Danao, Loboc, Loon, Maribojoc, Panglao, San Miguel, Sierra Bullones, Talibon
Cebu	Cebu Province, Argao, Bantayan, Dalaguete, Dumanjug, Malabuyoc, Medellin, Oslob, San Remigio
Negros Oriental	Negros Oriental Province, Bais City, Dumaguete City, Mabinay, San Jose, Sibulan, Zamboanguita
Siquijor	Siquijor Province, Maria, Siquijor

 Table 5.1
 Seal of Good Local Governance Awardees, Central Visayas, 2015

Source: Department of Interior and Local Government

Anti-Red Tape Act of 2007 (ARTA). Based on the Report Card Survey for 2015 covering 65 government offices, 13 offices were rated Excellent; 43 offices were rated Good; five offices were rated Acceptable; and only four offices failed.

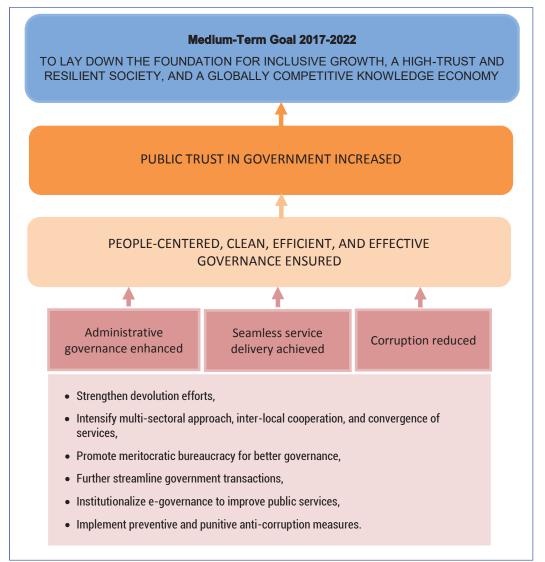
Formal institutions in the form of laws, rules and regulations have been in place in the region, e.g. Local Government Code (LGC) of 1991, Local Development Councils (LDC), the Regional Development Council (RDC). The major challenge facing the region in terms of governance is not the absence of laws, regulations, plans and programs; but rather, the lack of good implementation and/or enforcement system.

A case in point is the preparation of the comprehensive land use plans (CLUPs) by the LGUs as required in the LGC. Based on the records of the HLURB, almost all CLUPs in Central Visayas are not compliant with the enhanced guidelines on mainstreaming disaster risk reduction and climate change adaptation in the CLUPs. While 95 percent of the LGUs in the region have existing CLUPs, these land use plans have not been updated. The oldest CLUP on record was approved in 31 July 1980. Further, five LGUs in Central Visayas have not yet prepared their respective CLUPs.

Another legal mandate that needs to be fully maximized is the power of the LGUs to generate local revenues. In 2015, the region posted a rate of dependency on the Internal Revenue Allotment (IRA) of 86 percent, which was an improvement of the 88 percent IRA dependency in the previous year. However, many LGUs in the region are still highly dependent on the IRA, indicating that these LGUs have not capitalized on fiscal decentralization that was accorded to them by the LGC. (*see Chapter 15*)

A good indicator of the level of public trust on clean and efficient governance is the number of complaints lodged with the Office of the Ombudsman against erring public officials. In 2015, the Office of the Deputy Ombudsman for the Visayas received a total of 3,327 complaints covering the four regions of the Visayas. Most of the cases filed with the Office of the Ombudsman involved personnel from the LGUs and other government offices performing frontline services. These frontline personnel are in constant contact with the people thereby allowing the public to observe and scrutinize their conduct in the delivery of public services. The most common charge against public officials is the violation of Republic Act No. 3019, otherwise known as the Anti-Graft and Corrupt Practices Act.

Figure 5.1 Strategic Framework to Ensure People-Centered, Clean, Efficient, and Effective Governance, 2017-2022



Strategic Framework

Strategies

The socio-economic development of Central Visayas rests on the pillars of good governance and sound public institutions, peace and security, and ecological integrity. Good governance and sound institutions in particular enable the region to produce the intended outcomes of inclusive growth and improved quality of life as enunciated in its development plans and programs.

Strengthen devolution efforts. The National Economic and Development Authority (NEDA) and DILG will continue to assist LGUs in enhancing their capacity on development planning, project development, and resource mobilization to enable them to effectively and efficiently manage the development of their localities. Strengthening decentralization among LGUs requires the implementation and

continuous monitoring of the LGUs' adherence to the NEDA-DILG-DBM-DOF Joint Memorandum Circular No. 1, s. 2007. This also requires providing incentives for LGUs to become less dependent on the Internal Revenue Allotment, and to mobilize own resource revenues and innovative financing. (*See Chapter 15*)

Strengthening administrative decentralization likewise requires the LGUs to pursue inter-LGU cooperation/collaboration in the management of concerns that cut across territorial/political boundaries of a number or cluster of LGUs. These concerns include flood control, traffic, mass transport system and aqua-fisheries development.

The local development councils including the Regional Development Council (RDC) shall be strengthened as venues/fora for government-private sector collaboration and partnerships.

Promote meritocratic bureaucracy for better governance. The professionalization of the government workforce shall be pursued and sustained through the promotion of meritocracy in the hiring and promotion of employees. Further, moral recovery shall be the centerpiece in the efforts to professionalize the public sector.

The Civil Service Commission (CSC) will continue to promote meritocracy in the hiring and promotion of employees to depoliticize the civil service. Agencies and LGUS will be required to implement courses on good governance for their workers to enhance their capacities in the performance of their work.

The provision of incentives, in the form of rewards, and team building exercises will be

continued to be undertaken to encourage the government workforce to strive for excellence in their work.

Further streamline government transactions. Agencies and LGUs will work at further streamlining and simplifying their administrative and regulatory systems and procedures under the anti-red tape program.

The ARTA will be vigorously implemented and compliance by government agencies and LGUs will be strictly monitored, with appropriate sanctions to be handed out for non-compliance. Front line agencies will also establish one-stop shops to service their clientele more efficiently.

E-Governance will be institutionalized in the region as all regional line agencies and LGUs take advantage of the E-Commerce Act and start using information and communication technology (ICT) to improve public services.

Implement preventive and punitive anticorruption measures. The anti-corruption campaign shall employ the multi-sectoral approach that would engage the participation not only of the government offices but also the church, civil society organizations, the academe and the business sector. In the context of this multisectoral approach, the corruption prevention shall be given equal, if not more, focus with the investigation and prosecution of cases.

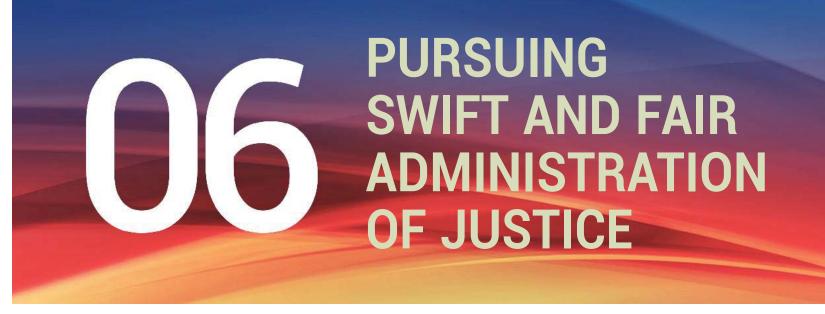
Given the limited resources of the government to fight corruption, the prevention component through effective education and advocacy has to be intensively pursued.

Legislative Agenda

To complement and support the actions of the executive branch, the legislations outlined in Table 5.2 will be required.

Table 5.2 Legislative Agenda to Ensure People-centered, Clean, Efficient, and Effective Governance, 2017-2022

LEGISLATIVE AGENDA	RATIONALE			
Strengthen devolution efforts				
Amendment of the Local Government Code of 1991 (Republic Act No. 7610)	The Local Government Code of 1991, which took effect more than 25 years ago on 01 January 1992, needs to be reviewed and amended to provide for a more responsive and accountable local government structure.			
Implementation of preventive and punitive anti-corruption measures				
Amendment of the Ombudsman Act of 1989 (Republic Act No. 6770)	The review and amendment of the Ombudsman Act of 1989 shall be pursued in order to strengthen the powers of the Ombudsman, particularly in the conduct of investigation.			
Amendment of the Law on Secrecy of Bank Deposits (Republic Act 1405)	The Law on Secrecy of Bank Deposits shall be amended to allow the Office of the Ombudsman to gain access into deposit accounts of government officials under investigation by the Ombudsman.			



Chapter 6

Pursuing Swift and Fair Administration of Justice

The administration of justice is essential for Central Visayas to attain inclusive development for its constituents. The fair justice administration serves as a deterrent to those intending to violate the law, provides recompense and closure to victims of violators of the law, and gives the chance to those convicted of violating the law to face the consequence of their action and redeem themselves in society. In line with this, the region shall continue to pursue the swift and fair administration of justice, which is crucial in the attainment of inclusive economic growth and progress.

Assessment and Challenges

Central Visayas endeavored to pursue the prompt and impartial disposition of criminal cases. In 2016, the National Prosecution Service (NPS) recorded a disposal rate of 99.94 percent of inquest cases, 94.34 percent of cases under regular preliminary investigation; and 100 percent of cases reviewed by the Office of the Regional State Prosecutor (ORSP). (*see Table 6.1*)

The region also sustained its efforts in promoting the rehabilitation of public offenders and their integration in the community. In 2016, the region through the Parole and Probation Administration (PPA) supervised 3,715 probationers and 1,067 parolees and pardonees. It also investigated almost 1,500 cases for probation, and more than 200 cases for pre-parole/executive clemency.

YEAR	ACTION	INQUEST CASES	REGULAR PRELIMINARY INVESTIGATION	REVIEW (ORSP)
	Resolved	25,164	13,088	97
2016	Pending	14	785	0
	Disposal Rate	99.94%	94.34%	100.00%
	Resolved	15,061	12,465	107
2015	Pending	2	704	9
	Disposal Rate	99.90%	94.65%	92.24%

Table 6.1 Case Disposition Rate: 2015 and 2016

Note: ^{1/} Inquest Cases involve persons arrested without the benefit of an arrest order or warrant, or were caught in the act of committing a criminal offense.

^{2/} Regular Preliminary Investigation is defined as an inquiry or proceeding to determine whether there is sufficient ground to engender a well-founded belief that a crime has been committed.

Source: Office of the Regional State Prosecutor 7

IDEAL CAPACITY	TOTAL JAIL POPULATION	CONGESTION RATE (%)
54	389	625.06
40	233	482.59
21	162	661.40
59	243	313.80
53	467	777.78
94	1,242	1,216.60
41	346	746.98
19	115	510.53
88	309	251.73
611	2,694	341.12
	54 40 21 59 53 94 41 19 88	IDEAL CAPACITY POPULATION 54 389 40 233 40 233 21 162 59 243 53 467 94 1,242 41 346 19 115 88 309

Table 6.2 Congestion Rate of Selected Jails in Central Visayas, 2016

Source: Bureau of Jail Management and Penology 7

The parole and probation program significantly contributed not only to the rehabilitation of erstwhile public offenders but also to the decongestion of jails. The program also enabled the government to realize an estimated savings of PhP59 million in 2016, the amount that the government could have spent for the daily subsistence of almost 5,000 probationers and parolees if they were in jail.

The region still faces the challenge of jail congestion notwithstanding the contribution of the parole and probation program. The region's rate of jail congestion is estimated to have reached an average of 600 percent. In its report to the RDC Development Administration Committee (RDC-DAC), the Bureau of Jail Management and Penology (BJMP) revealed the very high congestion rates in ten BJMP-managed jails shown in Table 6.2.

One of the factors that contributed to jail congestion in the region is the delay in the resolution of cases pending before the courts of justice. Jail congestion is the result of the congestion of cases in the trial courts. Meanwhile, suspected offenders remain in the jails as they await their trials.

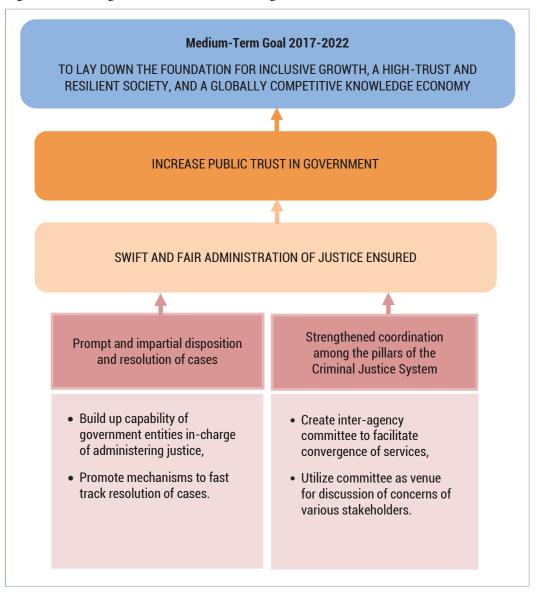
Strategic Framework

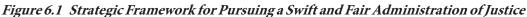
The promotion of inclusive growth requires the region to ensure the prompt and impartial disposition and resolution of cases as well as strengthen the pillars of the criminal justice system; thereby ensuring swift and fair administration of justice.

Strategies

Ensure the prompt and impartial disposition and resolution of cases

The prompt and efficient disposition of cases requires the building up of the capability of the government entities in charge of administering justice, namely the Office of the Ombudsman, the National Prosecution Service, the Public Attorney's Office, the Judiciary, and other quasijudicial entities.





The region will also promote mechanisms such as the Alternative Dispute Resolution, the Katarungan Pambarangay and the Rules on Small Claims to fast-track the resolution of cases as well as unclog the court dockets.

Other essential components of justice administration are the rehabilitation of offenders as well as their integration in the community after they shall have served their sentence. Programs that promote the rehabilitation and community integration of public offenders shall therefore be promoted and supported.

Strengthen the coordination among the pillars of the Criminal Justice System

The region will initiate the formation of an interagency committee composed of representatives from the five pillars of justice to strengthen coordination and facilitate convergence among these institutions. The committee will be a venue where the concerns of each member agency will be discussed for the purpose of finding ways to address them through collective efforts.

Legislative Agenda

To complement and support the actions of the executive branch, the following legislations will be required:

Table 6.3 Legislative Agenda to Ensure Swift and Fair Administration of Justice,2017-2022

LEGISLATIVE AGENDA	RATIONALE
Amendment of the Revised Penal Code of the Philippines (Act No. 3815)	The Revised Penal Code of the Philippines, Act No. 3815, which was first enacted on 08 December 1930, needs to be revised to make the penal provisions relevant and responsive to the needs of the times.
Creation of the Department of Correctional Services	The creation of the Department of Correctional Services will integrate into one department all government agencies involved in corrections. The proposed legislation will address the current fragmented set-up of the corrections system, which has resulted in functional overlaps and diffusion in the conduct of corrections and restoration activities.



Chapter 7

Promoting Philippine Culture and Values

UNESCO defines culture as a "set of distinctive spiritual, material, intellectual and emotional features of society or a social group" encompassing "art and literature, lifestyles, ways of living together, value systems, traditions and beliefs."¹ Values, a subset of culture, are "beliefs or ideals shared by the members of a culture about what is good or bad and desirable or undesirable."²

Culture and value systems have a great influence over development. People use their values when making decisions in economic, religious, vocational or professional pursuits. When positive and productive values are shared, they build internal cohesion thus helping the country to grow and develop.

While there are positive aspects of the Filipino culture, there is a need to have a common and shared culture and identity to anchor and drive development initiatives. Due to the archipelagic nature of the country, Filipinos tend to be regionalistic. The Filipino culture is also a product of years of the intermingling of Malayo-Polynesian, Chinese, Hispanic, and American cultures. These resulted in diverse cultural expressions in terms of language, art, cuisine, religion, literature, dance, architecture, and others.

The Regional Development Plan supports and adopts the initiatives outlined in the Philippine Development Plan to develop a strong and desirable culture and values among Filipinos. Thus, there is a need for a common identity and at the same time for the country to maintain and take pride in the diversity of cultures across regions.

Assessment and Challenges

The Philippines is a nation of diverse cultures but this is not adequately documented and existing documentation is not easily accessible. There is a need to do an expert study on the culture of the peoples of the region. Cultural forms and creative expressions are diverse among provinces and communities in the country. This is also true in Central Visayas. Culture also varies according to age group, gender, spirituality, and socioeconomic class; even persons with disabilities (PWDs) have their own culture. But to do this is a challenge because of the need for expertise and funds for data collection.

¹ UNESCO, UNESCO Universal Declaration on Cultural Diversity (Paris: UNESCO, 2001)

² B*usiness Dictionary*, s.v. "values", accessed March 8, 2017, http://www.businessdictionary.com/definition/values.html.

To some extent, the true Filipino identity has been weakened. But there are still inherent Filipino values that can be nurtured so these can be used toward promoting the common good. The Philippines' colonial past made Filipinos feel inferior as manifested by our culture of *hiya* or shame. Instead of being proud to be Filipino, many often retreat to their regional affiliations or identities (e.g., Cebuano, Bol-anon, Ilonggo, Tagalog). This minimizes the need for national identity and pride. A culture of fragmented identities often leads to discord and mistrust. Values like malasakit, bayanihan, pakikipagkapwatao, which are ways that Filipinos recognize kinship among themselves, need to be inculcated for national unity and social cohesion.

There is a need to inculcate into the Filipino mind the country's history, culture, and values. Our education system has not been effective on this regard. Formal education emphasizes developing literacy and skills; there is very little emphasis on values education or critical teaching of history. Mainstream media also do not promote positive values as they are driven by profit. So does popular shows or movies. Thus, most Filipinos do not have strong conviction of their own culture and values.

Heritage structures are vulnerable to the impact of climate change and human-induced disasters. The 2013 Bohol earthquake and Typhoon Yolanda exacted heavy damage not only to lives but also centuries-old churches and structures in the region. Restoration efforts are slow not necessarily because of lack of funds but because there are no skilled artisans who can take on the work. Moreover, the conservation of important cultural assets is not the priority of national, regional, and local governments.

The impact of climate change and people's ignorance about the value of cultural and historical structures built centuries ago are serious threats to their preservation. These structures are tangible

link to our past, giving life to the nation's history in ways that the written text cannot provide. The economic value of these heritage sites cannot be measured only in terms of the revenue generated from tourism. Their greater value lies in what they symbolize for the local community and the cultural and spiritual messages attached to them. Heritage structures provide a sense of identity and belongingness, while recognition of their value brings a sense of pride.

A working and effective governance framework for cultural development is needed. Admittedly, the government recognizes the importance of culture in national development. This is evident in landmark legislations that created cultural agencies, and legislations that call for the conservation and safeguarding of cultural heritage, protection, recognition, and empowerment of diverse cultures. However, violations such as the unethical and exploitative extraction of knowledge, skills, and practices from indigenous cultural are not penalized. There is no coordinating body with regional presence to promote cultural development and address concerns at sub-national levels. Despite the legal mandates, agencies do not have adequate human and financial resources to implement programs for cultural development.

Strategic Framework

The RDP adopts the PDP framework for cultural development where government will increase the level of cultural awareness, inculcate values for the common good, cultivate creativity, and amplify national pride among Filipinos. These will be reflected in development plans across all levels of government. (*see Figure 7.1*) These will likewise be supported by adequate resources, capacity building for government agencies on culture-sensitivity, and increased engagement with stakeholders.

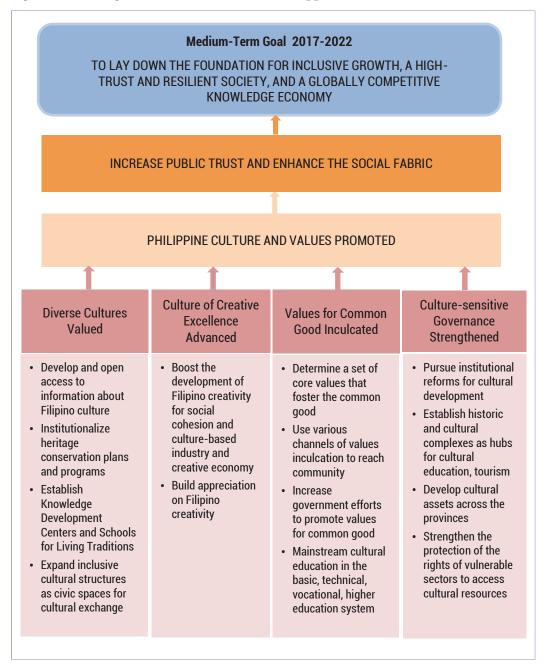


Figure 7.1 Strategic Framework to Promote Philippine Culture and Values, 2017-2022

Targets

Core outcome and output indicators that will be monitored to ensure progress toward increasing the level of cultural awareness, inculcating values for the common good, cultivating creativity, and strengthening culture-sensitive governance and development are presented in *Table 7.1.*

INDICATORS	BASE	LINE	END OF PLAN
INDICALONS	YEAR	VALUE	TARGET
Increased level of awareness of Filipino vales, cultural diversity, creativity and culture-sensitivity			tbd
Enhanced tolerance and respect for others			tbd
Inclusion of culture in local development plans			tbd
Heightened pride of place and pride of being Filipino			tbd
Reached the target beneficiaries to be provided support			

Table 7.1 Plan Targets' to Promote Philippine Culture and Values, 2017-2022

Note: tbd - to be determined

Strategies

Diverse Cultures Valued

The people in Central Visayas will learn to appreciate and be aware of their own respective cultures. This strengthened awareness of their sub-culture should lead them to value their cultural heritage, ensure its preservation, integrate these into their lives, and most importantly recognize the need to belong to a national community with a common identity. To achieve this desired outcome, the following strategies will be implemented:

Develop, produce, disseminate, and open access to information about Filipino culture. Learning materials will be developed to raise awareness about the country's cultural diversity. With the RDC in the lead, various agencies will collaborate to disseminate these information materials to their respective stakeholders, including overseas Filipinos (OFs) who may be reached through the Philippine embassies abroad, or anybody interested in learning about the country's diverse cultures.

Institutionalize and intensify heritage conservation plans and programs. Protection of tangible heritage areas and sites will be undertaken through comprehensive conservation plans, while recognizing that it is a shared responsibility of every Filipino. The RDC will ensure that initiatives in preservation of buildings, structures and other tangible cultural heritage assets are reflected in the budget of concerned agencies and programs and projects are developed and implemented for the purpose.

Establish Knowledge Development Centers (KDCs) and Schools for Living Traditions (SLTs). The RDP will support the PDP's strategy to establish KDCs in the region to document, conserve, and protect tangible and intangible cultural heritage in the region for posterity, as well as to enrich the people's knowledge and sense of ownership of various elements of Filipino culture. SLTs have been the safeguards of intangible heritage since 1995 because they ensured its transmission to the next generations of indigenous peoples and the Bangsamoro. These schools will thus be expanded to educate more people who wish to learn skills from the various culture bearers.

Expand inclusive cultural structures as civic spaces for dialogue and cultural exchange. Cultural infrastructure and facilities will be used as venues for fostering social cohesion and valuing cultural diversity. Cultural structures, such as museums, cultural centers, archives, libraries, art galleries and other cultural facilities, will be made more inclusive to allow dialogue and cultural exchange.

³ There are no current baselines and targets for the indicators because data remain to be gathered and established through a national survey. These will be made available on the plan's midterm update in 2019.

Culture of 'Pagka Maayong Mangamot' or Creative Excellence Advanced

The RDC and concerned line agencies shall implement initiatives to promote and support a culture of creative excellence. These initiatives and interventions shall permeate various levels of public consciousness as the foundation of a globally-competitive knowledge economy.

Boost the development of Filipino creativity as a tool for cohesion and impetus for a culture based industry and creative economy. To develop the value of creative excellence, learners in the academe need to appreciate at a young age the importance of inventiveness and creativity; push for interdisciplinary collaboration among public and private sectors to boost innovation in various areas; nurture certain mindsets - an entrepreneurial spirit that rewards industry and smart work-giving primacy to design in reinforcing cultural and national identity, generating solutions through innovation, and valuing intellectual property; foster a culture that values arts, science, technology, and innovation; integrate it with values that foster the common good and appreciation of diverse cultures, so that creativity is developed together with core values resulting in the constructive pursuit of solutions to social ills.

Build appreciation of Filipino creativity. To realize the potentials of the creative process, the agents of creativity will be empowered and supported by an institution that will encourage the production of creative works, invest in human development of its stakeholders, support their products, and develop the industry (see also Chapter 9). It will provide due recognition to the contribution of the culture sector and other stakeholders concerned with heritage and creativity, to the social and economic life of the country.

Values for the Common Good Inculcated

Instilling values for the common good into the consciousness of all citizens in Central Visayas will

provide the needed positive and transformative change that will eventually lead to a high-trust society.

Determine a set of core values that foster the common good. As in the national plan, the RDP will give priority and importance on values that are common to Filipinos and that are important for social cohesion and inclusive development. These could include: discipline, persistence, and grit, as well as a positive disposition for which Filipinos are known. Other values that many Filipinos share are Pagkamalikhain (creativity), as evidenced by Filipino ingenuity, and Malasakit (roughly translated to compassion or empathy), as evidenced by the readiness and willingness to help, especially in times of calamities. Establishing the core values, however, does not preclude the freedom of different cultural communities from defining their own values. CHED, DepEd, and the academic community in the region shall collaborate to pursue this initiative.

Use various channels of values inculcation to reach all community members. Once established, families, local communities, civil society organizations, workplaces, formal and informal education systems, and media platforms in the region will be tapped to ultimately inculcate the core values in the general population.

Increase government efforts for promoting values that foster the common good. To reach the population, the production of information materials on the identified set of values will be intensified. Projects, activities, and programs that promote these Filipino values will also be created, implemented, integrated, and reviewed across all levels of government.

Mainstream cultural education in the basic, technical, vocational, and higher education systems. Promotion of these core values can take advantage of the reform of the basic education system through the K to 12 curriculum. The desired outcome of the reform is to ensure that students are equipped with not only functional literacy skills but also with the values necessary to become productive members of society. In particular, the reform identified the need to instill ethics among students – particularly focusing on virtuous behavior.

Culture-sensitive Governance and Development Strengthened

The government plays an important role in a nation's cultural development. It shall provide the needed resources to ensure the preservation and development of Philippine culture, and the exploration and understanding of Philippine history. In addition, local governments can support community initiatives to include culture in their local development plans.

Pursue institutional reforms for cultural development. The RDC will support the national initiative to create a coordinating body that will streamline services and activities. This will enable a systematic launch of cultural initiatives nationwide. Mechanisms will be built to improve the capacity of the culture sector in the fields of governance and legislation. This means improving infrastructure support for cultural agencies and strengthening the implementation of relevant policies.

The RDC and concerned agencies will collaborate to review existing legislations to assess whether the measures are still appropriate given the technological, political and social developments, and whether established mechanisms remain relevant in addressing issues such as those brought by climate change or human-induced disasters. Penalty clauses in applicable and relevant laws and regulations will also be based on a solid framework for cultural development. Culture-sensitivity will be enhanced in government bureaucracies so that policymakers will not only focus on deriving economic benefits from cultural assets, but also recognize the intangible value of the creative process that pushes its citizens to imagine, create, and innovate.

Establish historic and cultural complexes as hubs for cultural education, entertainment, and tourism. These historic and cultural complexes will help showcase the best of the region for cultural tourism, which can contribute to economic growth.

Develop cultural assets across the country. Considering the island configuration of the region, the need to develop cultural assets is essential to broaden people's access to cultural resources and activities.

Strengthen the protection of the rights of vulnerable sectors (indigenous peoples, women, youth and children, and PWDs) to access cultural resources and live a life free from discrimination and fear. Citizens must appreciate the principles behind cultural protection and become proactive defenders of culture themselves. Civil society, the academe, media, and other agencies of the culture sector will contribute to these efforts, but government needs to create the enabling environment for conserving and enriching the collective memory of the nation.

There is also a need to engage and seek the participation of indigenous cultural communities (e.g. the Eskayas in Bohol, and the Atis in Negros Oriental) in the formulation of policies and measures that concern their communities and their environment. Indigenous knowledge and practices provide valuable insights and tools for ensuring environmental sustainability.

Legislative Agenda

The RDP shall support and provide the regional dimension, data, and information on the legislative agenda for promoting culture and values found in *Table 7.2*.

Table 7.2 Legislative Agenda to Promote Philippine Culture and Values, 2017-2022

LEGISLATIVE AGENDA	RATIONALE
Modernization Act for the National Library of the Philippines	Establish the charter of the National Library of the Philippines to promote full intellectual and cultural development of the Filipino. It will also standardize public libraries and ensure their funding.
National Museum of the Philippines Act	Strengthen the National Museum.
UNESCO Declaration on Cultural Diversity	Ratify the declaration
Commemoration of the Indigenous Peoples Rights Act	Declare a national, non-working holiday for the recognition and promotion of the rights of indigenous peoples.
Strengthening the Conservation and Protection of the National Cultural Heritage	Amend the Heritage Law (RA 10066). Update its provisions on jurisdictions.
An Act Providing for the Welfare Protection of Artists and Cultural Workers	Protect and promote the rights of artists and cultural workers (e.g., conservationists) to be considered as persons actually engaged in cultural work and to benefit from all legal, social and economic advantages pertaining to the status of workers.
Establishment of Kawanihan ng Pagsasalin/Bureau of Translation	Establish an institutional mechanism for accreditation and professionalization of translators in Filipino and other Philippine languages
Establishment of the Kandungan ng mga Wika at Kultura	Establish a cultural complex in Rogongon, Iligan City comprising training centers, languages laboratories, language park, and <i>balay-wika</i> (languages museums)
Establishment of Local Culture and Arts Councils and Allocate Funding similar to the Gender and Development (GAD) Fund or Special	Establish offices for culture and arts in LGUs, with a mandate to protect and promote local cultural heritage and arts.
Establishment of Institute for Cultural Heritage Conservation of the Philippines	In line with the implementation of the Cultural Heritage Law (RA 10066), there is a need to come up with an institute that will offer trainings and workshops on cultural heritage education through formal, alternative and informal education. This will emphasize the protection, conservation, preservation, and safeguarding of cultural heritage and properties.
	It is envisioned to be an institute on Philippine conservation that offers education programs on methods and approaches that adhere to accepted international standards of conservation but adaptable to Philippine setting.
Public Art to Infrastructure	Allocate a certain percentage of the budget for any building to public art as part of infrastructure. An example is a space for art installations in infrastructure projects.

PART III INEQUALITY-REDUCING TRANSFORMATION ("PAGBABAGO")



Chapter 8

Expanding Economic Opportunities in Agriculture, Forestry, and Fisheries

The agriculture, forestry and fisheries (AFF) sector of Central Visayas employs 29.5 percent of the region's total employed persons. However, low production and productivity, coupled with the sector's vulnerability to natural disasters render more than half of the region's farmers and fisherfolk poor.

To increase farm income, the Plan will focus on sustainably boosting farm productivity and the competitiveness of agricultural, forestry and fishery products, and reducing inequality in economic opportunities.

The Plan will employ a two-pronged approach to inclusivity by increasing small farmers' and fisherfolk's access to economic opportunities on one hand, while expanding economic opportunities of those who are currently engaged in producing food and non-food agriculture/forestry and fishery-based products on the other hand.

Assessment

Contribution to GRDP and Employment

From 2011 to 2016, the share of the AFF sector to the GRDP consistently declined from a high of 8.0 percent in 2011 to a low of 5.4 percent in 2016. On the average, the sector accounted for a mere 6.5 percent of the GRDP during the six-year period. (*see Table 8.1*)

During the same period, the sector grew by 0.27 percent on the average. This performance was significantly below the Plan target of an AAGR of 3.1-3.5 percent.

In terms of employment, the sector employed an average of 900,667 persons per year from 2011 to 2016. The number accounted for almost 29.4 percent of the total employed persons in the region during the period.

Real wage rates of agricultural farm workers, however, averaged only PhP147.59 a day from 2011 to 2015, less than half of the daily minimum wage of a non-agricultural worker.

Average labor productivity in the sector for the six-year period was only PhP31,500, very much lower than the national figure of PhP64,189.

AFF SECTOR	2011	2012	2013	2014	2015	2016	AVERAGE
Actual Growth Performance (%)	3.7	-1.6	-0.3	-1.9	2.3	-0.6	0.3
RDP Growth Target	2.7-3.2	3.3-3.8	3.4-3.9	2.0-2.5	3.5-3.7	3.5-3.7	3.1-3.5
GVA of AFF (in Billion Pesos)	28.95	28.48	28.39	27.85	28.48	28.30	28.40
% Share to GRDP	8.0	7.2	6.6	6.1	5.9	5.4	6.5
GVA of Agriculture & Forestry (in Billion Pesos)	23.95	23.67	23.71	23.86	24.52	24.16	23.97
GVA of Fisheries (in Billion Pesos)	5.00	4.81	4.67	3.99	3.96	4.42	4.42
Agriculture Employment ('000 persons)	906	874	881	904	898	941	901
% Share to Total Employment	31.2	29.8	29.7	29.0	27.9	29.1	29.4
Labor Productivity (in PhP '000)	31.90	32.50	32.20	30.80	31.70	30.10	31.50
Nominal Wage Rate (in PhP)	173.76	178.22	202.06	213.83	224.31	297.25	214.90
Real Wage Rate (in PhP)	142.19	138.80	149.83	150.97	156.17		147.59

Table 8.1 Agriculture and Fishery Performance, 2011-2016

Sources: Philippine Statistics Authority and the Updated Central Visayas Regional Development Plan, 2014-2016

Subsector Performance

The sector's growth, the highest of which was in 2011, was mainly contributed by the livestock and poultry subsectors, whose production value consistently grew from PhP8.88 billion and PhP6.18 billion in 2011 to PhP9.39 billion and PhP6.92 billion in 2015, respectively (*see Table 8.2*).

In 2015, Central Visayas was the country's fifth top producer of hogs, contributing more than 7.0 percent to the total hog production in the country, after Central Luzon (22.7%), CALABARZON (17.9%), Western Visayas (7.1%) and Northern Mindanao. The region was also the second largest producer of goat, accounting for 9.29 percent of total goat production, after Ilocos Region, and the fourth top producer of chicken, after Central Luzon, CALABARZON, and Northern Mindanao (*see Table 8.3*). In the case of selected crops, the region was the country's third top producer of mango, contributing 10.25 percent to the country's total mango output, after Ilocos Region (29.49 % share) and Zamboanga Peninsula (11.15%). Central Visayas was also the second top producer of cabbage, accounting for 10.52 percent of the country's total cabbage production, after the Cordillera Administrative Region, and the third top producer of sugarcane, after Western Visayas and Northern Mindanao.

But the performance of the fisheries subsector remained below par throughout the period 2011 to 2015, with production steadily declining. Value of production dropped from PhP5.11 billion in 2011 to PhP4.14 billion in 2015. Value of seaweed production in particular dropped from PhP646.61 million in 2011 to PhP453.01 million in

SUBSECTOR	2011	2012	2013	2014	2015	AVERAGE
Crops	11,969.38	11,530.78	11,699.38	11,803.62	11,485.25	11,697.68
Palay	2,576.42	2,610.42	2,774.65	2,703.78	2,682.80	2,669.61
Corn	1,395.35	1,354.74	1,363.32	1,292.25	1,180.89	1,317.31
Coconut	1,178.95	1,213.30	1,234.68	1,205.42	1,162.19	1,198.91
Sugarcane	1,963.24	1,603.22	1,602.48	1,772.54	1,516.52	1,691.60
Mango	1,376.05	1,432.36	1,515.56	1,589.02	1,826.55	1,547.91
Other Crops	3,479.37	3,316.74	3,208.69	3,240.61	3,116.30	3,272.34
Livestock	8,886.65	9,034.89	9,048.13	9,065.83	9,399.10	9,086.92
Carabao	174.70	170.48	179.98	177.87	181.83	176.97
Cattle	822.21	823.83	796.24	794.30	780.99	803.51
Hog	7,557.44	7,701.84	7,730.52	7,752.28	8,086.56	7,765.73
Goat	332.30	338.74	341.39	341.39	349.72	340.71
Poultry	6,187.90	6,416.07	6,311.15	6,244.88	6,921.75	6,416.35
Chicken	4,168.34	4,324.17	4,369.69	4,561.63	4,829.26	4,450.62
Duck	9.84	10.78	10.78	11.04	11.16	10.72
Chicken Eggs	1,993.94	2,066.93	1,916.49	1,658.81	2,067.92	1,940.82
Duck Eggs	15.77	14.19	14.19	13.41	13.41	14.19
Fisheries	5,110.04	5,029.84	4,911.76	4,167.71	4,142.31	4,672.33
Milkfish	309.86	318.74	306.89	255.09	261.01	290.32
Tiger Prawn	347.13	356.95	196.49	81.87	78.60	212.21
Roundscad	615.11	633.12	657.93	425.01	433.42	552.92
Seaweed	646.61	638.59	582.73	492.17	453.01	562.62
Others	3,191.33	3,082.44	3,167.72	2,913.57	2,916.27	3,054.26
TOTAL	32,153.97	32,011.58	31,970.42	31,282.03	31,948.40	31,873.28

Table 8.2 Value of Agriculture Production, Central Visayas, 2011-2015(in million pesos at constant 2000 prices)

Source: Philippine Statistics Authority

 Table 8.3 Top 5 Producers of Livestock and Poultry, 2015

	HOG			GOAT	CHICKEN		
RANK	REGION	PRODUCTION (IN MILLION MT)	REGION	PRODUCTION (IN MILLION MT)	REGION	PRODUCTION (IN MILLION MT)	
1	3	0.422	1	0.010	3	0.609	
2	4-A	0.336	7	0.009	4-A	0.321	
3	6	0.178	3	0.008	10	0.146	
4	10	0.170	10	0.007	7	0.097	
5	7	0.163	6	0.007	6	0.089	

	SUGARCANE		N	MANGO		ABBAGE	SEAWEED	
RANK	REGION	PRODUCTION (MILLION MT)	REGION	PRODUCTION (MILLION MT)	REGION	PRODUCTION (MILLION MT)	REGION	PRODUCTION (MILLION MT)
1	6	13.40	1	0.25	CAR	0.097	ARMM	0.627
2	10	3.00	9	0.11	7	0.008	4-B	0.395
3	7	1.90	7	0.08	10	0.006	9	0.204
4	4-A	1.70	3	0.06	11	0.004	7	0.096
5	12	0.68	4-A	0.05	1	0.003	6	0.800

Table 8.4 Top 5 Producers of Selected Crops and Seaweed, 2015

Source : Philippine Statistics Authority

2015 following the onslaught of the El Niño in 2015.

Still, Central Visayas managed to become the country's fourth top producer of seaweeds in 2015, accounting for 8.59 percent of the country's total seaweed production, after ARMM (37.36% share), MIMAROPA (27.05% share), and Zamboanga Peninsula.

Challenges

Low productivity in the agriculture and fishery sector. Growth in the sector's productivity has been hampered by such constraints as limited access to credit and insurance, weak agriculture extension service, inadequate agriculture infrastructure (such as irrigation, farm-to-market roads and post-harvest facilities), inadequate support for research and development, and ageing farmers and fisherfolk.

The devolution of extension service functions to local government units has affected the delivery of services to farmers and fishermen. Low priority accorded to the sector resulted in inadequate budgetary and manpower support.

Low competitiveness of agriculture and fishery products. High production cost, limited connectivity between production areas and market, and poor compliance to international standards and requirements, make local produce uncompetitive. Average production cost for both irrigated and rainfed palay stood at PhP14.42 per kilogram in 2015, the highest among the regions in the country; while average production cost for white corn stood at PhP16.05 per kilogram, also the highest in the country. Maintenance cost for mango was recorded at PhP15.36 per kilogram

In fisheries, the average production cost of milkfish and tilapia were PhP39.56 and PhP46.80 per kilogram, respectively, in 2015.

Sector's vulnerability to weather disturbances and climate change. Agriculture sector gains in 2011 were overturned by production losses and the damage to infrastructure due to typhoons and the El Niño that occurred from 2011 to 2015. These extreme weather conditions also hampered fishing activities. Damage to agriculture caused by the 2015-2016 El Niño reached more than PhP 4.0 billion in Bohol and PhP3.8 billion in Cebu.

Limited agricultural land suitable for agriculture. The region's terrain is characterized by highlands with narrow coastal strips of arable land. Only the province of Bohol has a level plateau, where its agricultural areas are concentrated.

Data from the Bureau of Soil and Water Management (BSWM) show that the region has a total agricultural land area of 429,066 hectares, 45 percent of which are devoted to temporary crops like rice and corn. The 2012 Census of Agriculture showed that Central Visayas ranked fourth among the regions in the country with more than 200,000 parcels devoted to temporary crops. The actual number of parcels devoted to such crops was 310,000. The Philippine Statistics Authority (PSA) defines a parcel as "one contiguous piece of land under one form of tenure without regard to land use."

The average area per farm/landholding, however, was merely 0.68 hectare. A farm/landholding is defined by PSA as "any piece of land used wholly or partly for any agricultural activity, such as growing of crops, tending of livestock and poultry, and other agricultural activities, under single management and operated as one technical unit by one person alone or with others, regardless of title, legal form, size or location".

Strategic Framework

The desired outcomes of the agriculture and fisheries sector by the end of 2022 are: a) sustainably expanded economic opportunities of

those who are currently engaged in producing agriculture, forestry and fishery products; and b) increased access of small farmers and fisherfolk to economic opportunities. (*see Figure 8.1*) The attainment of these outcomes would reduce inequalities in economic opportunities.

Targets

The target is to increase gross value added (GVA) of AFF over the next six years, from the baseline value of 2.3 percent to within 2.8 to 2.9 percent by the end of the plan period. Faster growth rates in the GVA of AFF would necessarily mean corresponding increases in the value of agricultre and fishery production. Table 8.5 presents the key indicators and planned targets for the AFF sector.

Strategies

To sustainably expand economic opportunities of those who are currently engaged in agriculture/ fishery production, two intermediate outcomes have to be achieved, namely: a) productivity must

Table 8.5Planned Targets to Expand Economic Opportunities in Agriculture, Forestryand Fishery 2017-2022

	BASE	LINE	END OF PLAN TARGET					
INDICATORS	YEAR	VALUE	2022					
Economic Opportunities in Agriculture, Forestry a	Economic Opportunities in Agriculture, Forestry and Fisheries Expanded							
Growth of GVA in AFF Increased (in %)	2015	2.3	2.8 - 2.9					
Agriculture and Forestry	2015	2.8	2.8					
Fishery	2015	-0.7	1.0					
Growth in Value of Agriculture and Fisheries								
Crops	2015	-2.7	1.5					
Livestock	2015	3.7	3.7					
Poultry	2015	10.8	10.8					
Fisheries	2015	-0.6	1.0					
Growth in the Value of Agriculture and Fishery Exports Increased (in %)	2015	-22.7	20.0					
Access to Economic Opportunities by Small Farmers and Fisherfolk Increased								
Growth in Labor Productivity of Farmers and Fisherfolk (in %)	2015	2.9	2.9					

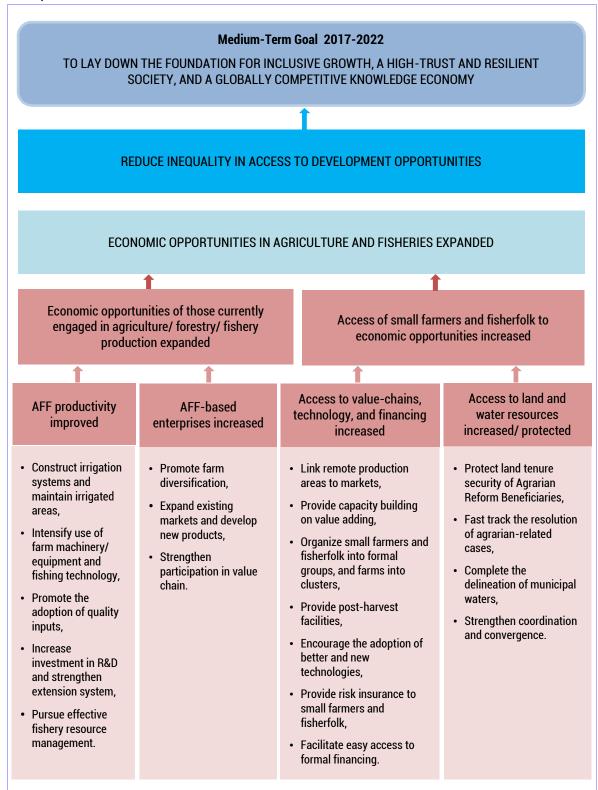


Figure 8.1 Strategic Framework to Expand Economic Opportunities in Agriculture, Fisheries, and Forestry, 2017-2022

improve (Strategies 1 to 5); and b) the number and capacity of agri-, forestry- and fishery-based enterprises must increase (Strategies 6 to 8).

To increase small farmers' and fisherfolk's access to economic opportunities, the following intermediate outcomes have to be achieved, namely: a) access to value chains, technology and financing by small farmers and fisherfolk must increase (Strategies 9 to 15); and b) their access to land and water resources must increase and be protected (Strategies 16 to 19).

Productivity Improved

Construct irrigation systems and maintain irrigated areas. To expand production activities, the Malinao Dam in Bohol will be upgraded. The implementation of the Bohol North East Basin Project, which has an irrigation component, will be pushed. The economic feasibility of constructing large dams in Cebu and Bohol will also be studied.

In the meantime, the construction of small scale irrigation systems like diversion dams, small farm reservoirs, communal irrigation systems, including small water impounding projects, and drip irrigation; and the distribution of shallow-tube wells will be prioritized. Solar-powered irrigation facilities will be introduced in villages not connected to the grid.

Rehabilitation of damaged and restoration of nonfunctional systems will be done regularly. Effective and efficient water-saving and management technologies will also be promoted.

Intensity use of farm machinery and equipment and fishing technologies and gears. The adoption by farmers and fisherfolk of locally-fabricated machinery and equipment that are suitable to local conditions will be pushed to lower production costs and post-harvest losses.

In Central Visayas, there are 25 fabricators and distributors of agriculture machineries such as tillers, pedal rice threshers, rice blower, paddy cleaners, 4-wheel tractors and tractor implements, rice planter, mulcher, irrigation pumps, power sprayer, rice mill, pulverizer, corn mill, corn planter, corn sheller, shredder, trailer, recirculating dryer, flatbed dryer, hammer mill, weeder, seeder, coconut shell chipper, forage cutter, organic mixer, rice separator, combine harvester and decorticating machines.

The government must provide funding for the implementation of Republic Act 10601, also known as the Agricultural and Fisheries Mechanization Law, which mandates the promotion of local assembly and manufacture of small engines as a major source of power in power tillers, other agricultural machinery, and fishing boats.

Push the adoption of quality inputs. The adoption of quality inputs such as seeds or planting materials of high-yielding and stress-tolerant varieties of crops will be pushed. For the fisheries and livestock subsectors, the adoption of quality fry of fish species and high quality genetic materials, respectively, will be pushed.

Investments in propagation facilities like broodstock, hatcheries, nurseries and laboratories will be enhanced by pursuing public and private collaboration.

Increase investment in research and development (**R&D**) and strengthen the extension system. Investments in R&D and strengthening the extension system are areas where the academe and the private sector can participate. In the medium term, the sector's research and development agenda will include the following:

- a) Updating of the region's fisheries map, and soil fertility and suitability maps for eventual incorporation in the Comprehensive Land Use Plans of LGUs;
- Remapping of the Strategic Agricultural Fisheries Development Zone (SAFDZ) to include, as part of the mapping variables, climate change vulnerabilities;

- c) Development of climate- and disasterresponsive technologies and innovations;
- d) Improvement of fishery culture for bangus and tilapia; and
- e) Documentation of various good practices in farm and fishery management practices, including indigenous knowledge and technology for climate change adaptation and resource conservation.

Pursue effective fishery resource management in the context of blue economy. Blue economy as discussed durring the East Asia Sea Congress in 2012, refers to a "sustainable ocean-based economic model; one that employs environmentally-sound and innovative infrastructure, technologies, and practices, including institutional and financing arrangements, for meeting the goals of sustainable and inclusive development."¹ As far as the region's coastal and marine environments are concerned then, the following strategies will be implemented:

- a) Conduct of regular fish stock inventory and assessment;
- b) Implementation of "closed season" for sardines and herring in the Visayan Sea from November 15 to February 15 of every year;
- c) Full implementation and enforcement of fishery regulations including the strengthening of measures against illegal, unreported and unregulated fishing, implementation of boat/vessel and gear licensing, and monitoring of compliance with catch documentation requirements for both municipal and commercial fishing boats; and

 Aggressive conduct of information, education, and communication (IEC) activities on resource conservation measures and compliance with fishery laws.

Since blue economy also encompasses governance, ecosystem-based co-management mechanisms for the Danajon Double Barrier Reef and the Tañon Strait will be explored. The Danajon Double Barrier Reef is a rich fishery resource shared by four provinces in Central and Eastern Visayas, namely: Cebu, Leyte, Bohol and Southern Leyte, or a total of 20 local government units in the two regions.

The Tañon Strait, meanwhile, is also a fishery resource shared by three provinces in Central and Western Visayas, or 300 LGUs in the two regions. The strait has been declared a protected seascape and has as overseer, a Protected Area Management Board (PAMB) with 42 city and municipal mayors, and three governors as members.

Agriculture-based Enterprise Increased

Promote farm diversification by increasing production of commodities with high value-adding and export potential. Increasing the production of the following commodities will be promoted: mango, coconut as raw material for food grade virgin coconut oil and coco coir, cacao, coffee, and bamboo. These commodities have high export potential, and road maps have been prepared for each, as part of the National Industry Cluster. Producers of these commodities will be given assistance in processing, product development, packaging and marketing.

Farm diversification will also be promoted for the production of secondary fiber crops like sisal for pulp and tea bags, and abaca for export. Sisal thrives best in rocky places, and is droughtresistant; hence, can be grown in Bohol, Cebu

¹ Partnerships in Environmental Management for the Seas of East Asia (PEMSEA), "Blue Economy: Where are We Now? Where are we Headed?," accessed May 10, 2017, http://www.pemsea.org/dev/sites/default/files/ 1475203802713042.pdf

and Siquijor. Moreover, the implementation of a) Republic Act No. 9242, also known as the Philippine Tropical Fabrics Law, would incentivize local fiber producers. The law prescribes the use of natural fibers produced, spun, woven or knitted and finished in the country for official uniforms of government officials and employees. b)

In the livestock and poultry subsector, increased production of hogs, goat, chicken and chicken eggs will be promoted to supply the needs of local food processors, hotels and restaurants, as well as that of other regions. For more value-adding, the private sector will be encouraged to partner with government in the establishment of triple-A abattoirs in strategic places in the region. The region must also develop its feeds component supplies and lessen its dependence on imported materials like soya and fishmeal, to reduce production cost.

In the fisheries subsector, the production of the f) following species will be prioritized: seaweeds, milkfish, tilapia, shrimp, oyster and other shellfish.

In the provinces, priority products will be mango, vegetables, livestock and poultry in Cebu; native chicken and dairy in Bohol; and beef and native cattle in Siquijor.

Farmers expanding their production capacity will be provided technical assistance in farm cultivation and management, advisory services on soil fertility and crop suitability, and timely and accurate provision of weather and climate information. The animal health program will be sustained to cater to the needs of livestock and poultry raisers. Farmers and fisherfolk will be encouraged to adopt Good Agricultural Practices (GAP), Good Aquaculture Practices (GAqP), Good Handling Practices (GHP), and for food exporters, the Hazard Analysis Critical Control Point (HACCP).

Expand existing markets and develop new products. To stay competitive and responsive to consumer preferences, the sector will develop new products and innovate on existing ones. These will necessitate the following interventions:

- Support technology transfer and knowhow on value-adding, processing, packaging and compliance with international standards and certifications like phytosanitary standards and Halal certification;
- Credit facilitation assistance to agriculture-based enterprises for capital build-up and acquisition of machinery and other fixed assets;
- Increase investments in post-harvest and cold chain technologies;

c)

d)

e)

g)

- Assistance and subsidies on agricultural insurance;
- Conduct of market facilitation events such as trade fairs and market matching activities;
- Provide a reliable market information system to facilitate decision-making, knowledge sharing and linking of producers and consumers to the market;
- Formulate a policy to regulate other forest products like fuelwood, charcoal, nontimber forest products; and
- h) Strengthen monitoring and implementation of projects that promote community-based enterprises such as the National Greening Program (NGP) and Community-Based Forest Manage-ment (CBFM).

Strengthen linkage of agriculture sector with agroprocessing industries through greater participation in effective value chain. New forms of linkages connecting small farmers to markets and other upstream services will be established. These will include contract farming, networks with agricultural processors, supermarkets, cooperatives and producers' organizations, and private sector-led extension services.

Access to Value-Chains, Technology and Financing Increased

Link remote production areas to markets. Remote production areas will be linked to the market with the construction of climate-smart farm-tomarket roads (FMRs), bridges, tramlines and logistics support facilities such as economic and business centers and food terminals. The implementation of the Food Terminal System in Jagna, Bohol, will be pushed within the Plan period.

Connectivity will be pursued in terms of roads and bridges, ports, and digital communication. Priority will be given to those farm-to-market roads identified and mapped by the provincial business chambers through the Coordination Roads and Infrastructure Investments for Development (CR+ID) Project. The identification of these FMRs was done through several consultation workshops with the LGUs and local stakeholders, using value chain analyses.

Provide capacity building for small farmers and fisherfolk on value adding. Farmer Field Schools (FFS) will serve as venue for disseminating information and technological know-how to small farmers and fisherfolk. They will be trained on processing, packaging and marketing, and compliance with product standards and certification.

Demonstration farms will be set up to show farmer-trainees how to apply science-based technologies and integrated farming systems.

Organize small farmers and fisherfolk into formal groups, and farms into clusters. Farmers and fisherfolks will be organized into associations, cooperatives and federations to facilitate the provision of services, and linkage with processors, enterprises and agro-industries.

The cultivation of idle lands, as well as the clustering of existing farms will be promoted for economies of scale.

Provide post-harvest facilities. Post-harvest facilities such as ice making and cold chain technology will be provided to help reduce post-harvest losses, maintain quality and increase the value of agricultural and fishery commodities.

Encourage small farmers and fisherfolk to adopt better and new technologies. Encouraging small farmers and fisherfolk to adopt better and new technologies (e.g., use of high quality seeds and other inputs, effective soil rehabilitation, and use of modern harvest and post-harvest facilities to minimize losses) will entail information dissemination, capacity building, actual demonstration and technical support.

Increase the number of small farmers and fisherfolk provided with risk insurance. Crop insurance has positive and significant impact on farmer income, and the amount of insurance cover plays a vital role in protecting the assured farmers from negative shocks from climate and weather impacts. The RDC passed Resolution No. 45 (s. 2016), enjoining LGUs in the region to encourage and support farmers in their localities to secure agricultural insurance from the Philippine Crop Insurance Corporation (PCIC) by providing partial or full subsidy for the insurance premiums. Farmers will be informed about the agricultural insurance program of the PCIC.

The Registry System for Basic Sectors in Agriculture (RSBSA), the database used in identifying beneficiaries of agriculture-related programs and services including credit and insurance, will be regularly updated. Only those registered can avail themselves of agriculturerelated services.

Provide small farmers and fisherfolk affordable and easy access to formal financing. Government financial institutions shall do the following:

 Develop and implement innovative loan products with responsive credit delivery mechanism;

- b) Conduct capacity building for borrowers as well as information dissemination on available loan products;
- c) Assess the effective credit demand of the agriculture sector to come up with a more accurate indicator of how much credit the sector really needs;
- d) Revisit the Agri-Agra Law to address issues and recommend measures to increase participation and compliance of commercial banks with agricultural lending requirements; and
- e) Push for the expansion of the Sikat Saka Program to include rainfed palay farms and other priority commodities in all provinces of the region.

Access to Land and Water Resource Increased

Ensure and protect land tenure security of Agrarian Reform Beneficiaries (ARBs). Land tenure security of Agrarian Reform Beneficiaries (ARBs) shall be protected by completing the Land Acquisition and Distribution, and immediately installing ARBs in awarded lands upon the issuance of Emancipation Patent and/or Certificates of Land Ownership Awards (CLOAs).

Fast track the resolution of agrarian-related cases. The resolution of agrarian-related cases, especially those that involve many affected farmers, will be fast-tracked. Timely and free legal assistance will be provided to ARBs, including counselling and representation in judicial and quasi-judicial bodies.

Complete the delineation of municipal waters. In an archipelagic region like Central Visayas, it is imperative that the delineation of municipal waters, including the issuance of local ordinances, be completed.

Strengthen coordination and convergence. Convergence initiatives between and among regional government agencies, LGUs, civil society organizations and state universities and colleges will be strengthened to ensure the protection and preservation of water resources such as watersheds. A ridge-to-reef approach will be used for a sustainable and climate-resilient agriculture.

Legislative and Administrative Reform Agenda

To strengthen the effectiveness of identified strategies, the legislative and administrative reform agenda outlined in Table 8.6 will be pushed.

Table 8.6 Legislative and Administrative Reform Agenda to Expand EconomicOpportunities in Agriculture, Fisheries, and Forestry, 2017-2022

LEGISLATIVE AGENDA	RATIONALE
Review of the Local Government Code	To make it mandatory for LGUs to create a Municipal Agriculture Office (MAO) to be headed by a municipal agriculturist with personnel complement of at least five (5) to cover institutional development, and the cereals, livestock and poultry, fisheries, and high value crops subsectors. The MAO shall coordinate the preparation of the Local Agriculture and Fisheries Development Plan, and oversee its implementation.
Formulation of a Magna Carta for Agricultural Extension Workers	To develop a mechanism for the career development and support of the agriculture extension workers who are the key players in improving productivity in the agriculture and fishery sector.
Formulation of a policy to regulate forest products such as fuelwood, charcoal, and non- timber forest products	To discourage the production of non-timber forest products, such as fuelwood and charcoal, which usually use methods that are harmful to the environment.



Chapter 9

Expanding Economic Opportunities in Industry and Services through "Trabaho at Negosyo"

The Industry and Services sector will sustain its 2010-2016 growth by seizing economic opportunities from increased demand in the domestic and foreign markets for investment opportunities, and for goods and services of Central Visayas. Agriculture-dependent households, Micro, Small and Medium Enterprises (MSMEs), and cooperatives shall partake of this growth.

The contribution of the Services Sector to the efficiency and competitiveness of the region's Industry and Agribusiness sector players will be clarified and enhanced through sound economic and development management characterized by strong synergy among government and non-government entities. Focus will be on common priorities, and to work fast in successfully organizing and executing plans to increase innovation, investments, and inclusion in value chain development.

Government will address the binding constraints to the entry of investors and entrepreneurs, the expansion of existing businesses, and business entities' ability to quickly respond to investment and market opportunities and requirements. It shall also provide the enabling infrastructure, technology, and regulatory environment for businesses to start and expand operations; to innovate and to grow; and to do so increasingly within the context of green and inclusive growth, and dignifying and empowering human capital development. These will expand economic opportunities, more value adding activities, and higher incidence of decent jobs and incomes in both urban and rural areas.

Tourism, Travel, Trade, and Manufacturing MSMEs will be inclusive jobs creators, and growth drivers in the provinces as they build on the strengths of their existing business and resource base and market linkages, and seek to expand these. So will Agribusiness, in the priority products where each province has distinct capability and potential to grow, as it fills market demand.

The Information Technology-Business Process Management (IT-BPM) sector will be provided policy and program support to continue their growth and employment generation. Cebu will venture into Knowledge Process Outsourcing (KPO). IT-based services in all provinces will be improved to speed up transactions in their economic driver sectors. FDI-driven heavy, light, and services-sector industries will also be provided needed policy and program support. Industry and Services subsectors will be guided and supported to direct their outputs and services to improve connectivity, cost-competitiveness, and customer-satisfaction in the value chain.

Assessment and Challenges

Convergence among government agencies to support value chain in the Agribusiness, Industry and Services sectors

Inter-agency convergence has been the marching order for most government agencies. But convergence has to be clearly institutionalized in the work programming, targeting, and performance evaluation of agencies. The broad challenges for agencies that are mandated to expand economic opportunities are: a) how to come together as whole-ofgovernment Enabler and Regulator; b) how to provide the enabling environment for the Industry and Services sub-sector enterprises to start and/ or expand to support value chain development that includes the Agribusiness sector and the Services sub-sectors that are engaged in the pre-production, production, and post-production stages; and c) how to improve the cohesiveness and efficiency of the value chain along the Agribusiness-Industry-Services continuum to spur growth in all three sectors.

Investments, innovation, and inclusion to sustain growth and job creation

Between 2011-2016, the region's Industry and Services sectors have shown their capacity to grow and create jobs. In 2016, Central Visayas accounted for 7.4 percent of the country's GVA in Industry, ranking fourth after NCR, Calabarzon, and Central Luzon (*See Table 9.1*). The region also accounted for 6.3 percent of the GVA in Services, ranking fourth after NCR, Calabarzon and Central Luzon.

The challenge for both sectors is how to have an enabling environment to expand economic opportunities to sustain this growth, particularly drawing in: a) FDI and MSME investments for business start-ups and expansions especially in the countryside, building a local purchase-valuechain, and providing decent employment; b) home-grown MSMEs and large establishments to innovate, increase productivity and make available a wide range of distinct region-made and packaged products and services; and c) ruralbased enterprises and cooperatives to be part of the value chain for these products and services.

INDUSTRY SUB-SECTORS	AAGR of GVA 2011-2016	SHARE TO GRDP	SHARE TO Employment	NO. OF EMPLOYED ('000)
Total Industry	9.5	39.1	19.4	627
Mining and Quarrying	8.3	0.9	0.4	14
Manufacturing	8.2	24.3	9.2	297
Construction	14.3	12.1	9.4	305
Electricity, Gas, Water	5.3	1.8		
Electricity, Gas, Steam, and Airconditioning Supply			0.2	7
Water Supply, Sewerage, Waste Management, and Remediation Activities			0.1	4

Table 9.1 Gross Value Added (GVA) and Employment Indicators of Major Industry Sub-sectors: Central Visayas, 2016

Industry sector growth drivers

The Manufacturing and Construction sub-sectors each employed over 297,000 and 305,000 people in 2015.

Manufacturing and Exports. Manufacturing is a major activity of export-oriented FDIs and homegrown SMEs. Among the region's top 20 export products are light manufactures which include electronic products and ignition wiring sets produced mostly by ecozone-based FDIs with regional production networks and global value chains. Ships of up to 180,000 deadweight tons is a singular heavy industry export. Other major exports are machinery and transport equipment, and products of homegrown SMEs engaged in furniture, apparel, processed tropical fruits, processed food and beverages. Creative-content goods such as gifts, decors, and housewares are also a distinct regional export.

From 2010-2015, exports from the region rose by an annual average of 16.7 percent. The share of exports to Asia rose, as the shares of Association of Southeast Asian Nations (ASEAN), Japan and China rose. (*See Table 9.2*)

Manufacturing ecozones registered with the Philippine Economic Zone Authority (PEZA) were a major source of employment in 2015. Some 230 locators are directly employing 122,000 persons. Direct infusion into the local economy by these ecozones in 2015 reached PhP31.9 billion, consisting of salaries and wages (PhP19.8 billion), local purchases (PhP9.9 billion) and investments (PhP3.8 billion). Between 2010-2015, investments and exports from these ecozones totaled PhP46.3 billion and US\$21.4 billion, respectively. For ecozones, the challenge is to have a business environment that: a) retains existing FDIs in the Electronics and Shipbuilding industries; b) facilitates expansion of current ecozone FDI locators; and c) provides the needed support infrastructure.

On the homegrown SMEs front, an enabling environment is needed for SMEs to get wind of opportunities, specifically for: a) partnerships with ASEAN and China SMEs; b) catering to Asian

REGIONAL MARKET		PERCENT SHARE IN CV EXPORT		T VALUE lion U\$)	AAGR (in %)
	2010	2015	2010	2015	2010-2015
Asia (including ASEAN)	64.0	69.0	1,600	2,942	23
of which Japan	27.0	24.0	679	1,034	33
of which ASEAN	9.0	14.0	228	586	23
of which China	8.6	10.7	218	459	10
of which HK	13.6	11.1	344	479	13
North America	18.0	17.4	450	747	24
of which USA	16.8	16.0	424	685	20
Europe	18.0	12.4	442	533	6
Oceania and Australia	0.7	0.6	17	25	11
South America	0.4	0.8	10	34	35
TOTAL			2,500	4,300	17

Table 9.2 Central Visayas Exports by Regional Destination, 2010 and 2015

and domestic shopper markets; c) facilitating partnerships with rural enterprises and cooperatives to be part of their value chain including the value of providing decent incomes from such participation.

Construction. In 2014, Central Visayas was among the top four regions in terms of: a) the number of formal sector construction establishments with total employment of over 20; b) number of employed; c) total income; d) gross value added. However it is low-ranked with respect to: a) labor productivity, b) average annual compensation for workers.

The construction sector is expecting robust growth because of the government's intent to increase spending on infrastructure and plans to speed up the implementation of public-private partnership big-ticket projects. Property development is also expected to expand from urbanization and investments in the manufacturing, trade, tourism, housing, and other services sectors.

Table 9.3 Gross Value Added and Employment in the Services Sector: Central Visayas, 2016

SERVICES SUB-SECTORS	AAGR of GVA 2011-2016	GVA SHARE To grdp	SHARE TO EMPLOYMENT	NO. OF EMPLOYED ('000)
Total Services	7.2	55.5	51.5	1,666
Financial Intermediation	8.0	7.2		
Financial and Insurance Activities			0.9	29
Real Estate, Renting, and Business Activities	7.5	11.0	0.3	9
Wholesale and Retail Trade. Repair of Motor Vehicles and Motorcycles	6.9	15.0	18.8	607
Other Services	6.9	11.9		
Professional, Scientific, and Technical Activities			0.4	14
Administrative and Support Service Activities			3.8	121
Education			2.8	91
Human Health and Social Activities			0.9	31
Arts, Entertainment, and Recreation			0.6	20
Accommodation and Food Service Activities			3.9	126
Other Service Activities			7.4	238
Transport, Storage and Communication	8.0	7.7		
Transport and Storage			6.1	197
Information and Communication			0.8	26
Public Administration and Compulsory Social Security	4.8	2.7	4.9	157

The major challenges that need to be addressed in the sector are how to: a) have adequate supply of work force who are trained and skilled and competitively compensated; b) build-in a green and resiliency culture and practice required of societal goals; and c) reduce bureaucratic permitting obstacles to building and occupancy.

Sustaining the performance of Services' growth drivers

In 2016, the Services Sector accounted for 56 percent of the Central Visayas economy, with its sub-sectors experiencing noteworthy growth rates, and being major sources of employment.

Two of the region's growth drivers, namely Tourism and IT-BPM, are part of the Services subsectors.

Tourism and Travel. Visitor arrivals accelerated over the period 2011-2015, reaching 4.6 million in 2015, up 2 million from the 2011 figure. Preliminary 2016 data shows a 10 percent increase from the same period in 2015. Domestic tourists comprised 58 percent of arrivals in 2015. Among foreign tourists, 66 percent were from Asian

countries. Bohol, Cebu, and Siquijor experienced higher influx of tourists in 2016. The business confidence of the private sector in Tourism is visible in the vast array of visitor-oriented accommodations, facilities and transport investments that they have established and expanded.

Prospects for increased arrivals are high. The global, Asian and domestic markets, the implementation of airport and port projects in each province, and the role of the region in the National Tourism Development Plan are expected to drive this growth.

The almost certain growth of Tourism presents many economic opportunities that will need the rural-urban and Agribusiness-Industry-Services value chain continuum which include, among others, the following:

- a) Accommodation construction of barrierfree facilities, architecture and landscape design and maintenance, green operations, homestay and BnB;
 - Food and beverage culinary tourism, organic food, agri-business value chain;

3,000,000 Domestic Foreign 2,500,000 Visitors Arrivals 2,000,000 1,500,000 1,000,000 500,000 0 2007 2005 2006 2008 2009 2010 2011 2015 2012 2013 2014

Figure 9.1 Visitor Arrivals, Domestic and Foreign: Central Visayas, 2005-2015

b)

Source: Philippine Statistics Authority, Regional Socio-Economic Trends (RSET), 2015

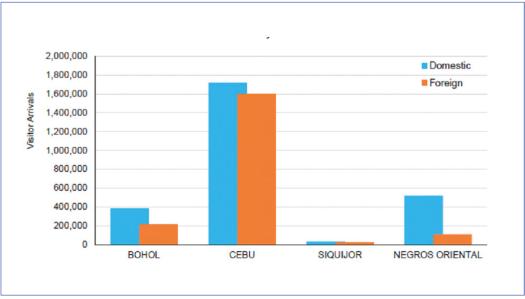


Figure 9.2 Visitor Arrivals by Province, Domestic and Foreign: Central Visayas, 2015

Source: Philippine Statistics Authority, Regional Socio-Economic Trends (RSET), 2015

- c) Passenger transport e-booking for land and ship transport, barrier free facilities, services to limit queuing, seamless travel connectivity, air and ship crews, and servicing in passenger terminals, repair and maintenance;
- d) Travel agents, tour operators and tourism guides – education and training in culture, language, and history proficiency, DPWH-DOT-LGU identified roads and services for seamless travel connectivity, high quality Internet;
- e) Recreation, entertainment, cultural services
 agri-tourism, cultural tourism, ecotourism; and
- Retail trade on tourism-characteristic goods – diversified, innovative, branded, well-packaged food and gift product displays in malls, airport and port terminals with rural value-chain links.

Other major challenges are: a) how Government and the Private Sector can work together to develop habits and culture among the citizenry that will provide extra-mile high-caliber customer/ citizen frontline service, and to deploy this in airports, ports, streets, transport, tourist information centers, and all tourist-related destinations and byways; and b) addressing NGA-LGU planning and implementation coordination issues such as making Department of Tourism (DOT) accreditation a win-win for DOT and accommodation facilities, and even passenger terminal facilities; having trained Local Tourism Officers as mandatory LGU positions, and mitigating the social and environmental effects of tourism activities.

IT-BPM. IT-BPM is another growth driver and source of above-average incomes for the educated work force. Prospects for continued growth of the sector are high, given investor interest, the aggressive joint-industry-government sector partnership in the sector, and the national plan of the Department of Trade and Industry (DTI) to scale up to KPO services. While IT-BPM started as an FDI-driven industry, homegrown IT-SMEs have been emerging in recent years, with interest in locating outside of the region's highly urbanized cities. Realized investments will open up economic opportunities needing the ruralurban and Agribusiness-Industry-Services value chain continuum. The region must be ready to respond to the demand of IT business employers and workers for office space, utilities, and services; for services of housing, health and human resource development; and for the food, transport, travel, and trade demand that the sector generates.

The challenge to support the growth of the ITenabled industry involves addressing its major needs: a) effective academe-industry partnership to raise teacher-trainees that will accelerate and sustain supply of ready-for-workplace IT-skilled talents; b) data security, or how the industry can ensure the safety and security that is entrusted to it as an outsourcing business; c) infrastructure that reduces traffic and tardiness-risk of its workers; d) reliable water and power supply; and e) government regulations/response time that reduces the cost of doing business.

Addressing opportunities and binding constraints to MSME growth

ASEAN Economic Community (AEC) discussions show that there can be no inclusive growth without SMEs. SME development is one of the major thrusts of the AEC Blueprint in which partnerships with ASEAN SMEs are planned. Upcoming in 2017 also is the entry of Chinese government assistance for SMEs through Philippine conduit organizations, given the willingness of Chinese SMEs to partner with the country and other ASEAN SMEs.

The state of preparedness of SMEs for these opportunities has undergone some milestones in recent years following inter-agency collaboration on increasing productivity, promoting innovation, increasing energy efficiency, and facilitating business permit licensing. The regional and provincial MSMED Councils are being strengthened to work closely with stakeholders and with the National MSMED Council to address opportunities and binding constraints.

In discussions about MSMEs in the region, however, binding constraints to full-throttle

MSME take-off and growth continues to surface. These constraints relate to: a) ease of business registration - MSMEs encountering tedious government permit requirements, procedures, and turnaround time, associated with lack of situation is also being faced by small foreign investors; b) access to funding and technical assistance - MSMEs are unable and/or unwilling to comply with all documentation requirements of government assistance programs for financing and technology assistance. A major part of the problem is inability to prepare project proposals, and unwillingness to be transparent about their operations. Further, prospective microentrepreneurs are not eligible for assistance because they are not organized or do not belong to cooperatives.

Trade connectivity is also a binding constraint. IT infrastructure and systems, and internet capability are still lacking for competitive speed in business transactions. The potential of the logistics sector, identified as one of the key elements in achieving inclusive growth and poverty reduction, remains largely untapped. In 2014, the WB reported a lower logistics performance index for the Philippines, ranking 57th out of 160 countries, down from 44 out of 155 countries in 2010. The country trailed ASEAN nations such as Singapore, Malaysia, Thailand, Vietnam, and Indonesia in 2014.

The challenge for expanding economic opportunities in the MSME sector is thus on several fronts: a) in having existing established SMEs to avail of opportunities to partner with ASEAN and Chinese SMEs; b) in improving the enabling environment for MSMEs to register and start operations, to access to funding and technical assistance, and to increase their productivity and competitiveness;c) in expanding the innovation culture and commercialization successes to more MSMEs; d) in expanding the green economic development movement to more MSMEs; and e) in improving trade connectivity through improved IT-enabled means, and efficient logistics and transport systems.

Mitigating industry-services environmental impacts and enhancing the region's livability

The development plans of the provinces explicitly seek to avoid the kind and intensity of growth that reduces the livability of their environs and settlements. Cebu faces the challenge of reversing the negative impacts of growth on its livability, especially in Metro Cebu. All the region's provinces also need to mitigate the environmental impacts of their current and planned economic activities. For example, waste generation from increased urbanization and industry and services activities should already be addressed and mitigated. Adding on Life-Cycle Assessment (LCA) perspective to current environmental regulatory systems has been suggested as a kind of environmental risk anticipation and to plan accordingly.

The challenge is for clusters of sectors involved in property development, extraction and use of natural resources, and waste and pollution generation to integrate livability into their planning and standards, and for government to take on the role of Enabler and Regulator.

Strategic Framework

By expanding economic opportunities in the industry and services sectors, the region hopes to reduce inequality and attain greater inclusivity. Agriculture-dependent households, micro, small and medium enterprises, and cooperatives shall partake of this growth.

Strategies

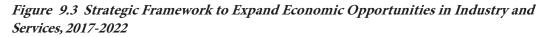
Economic Opportunities in Industry and Services Expanded

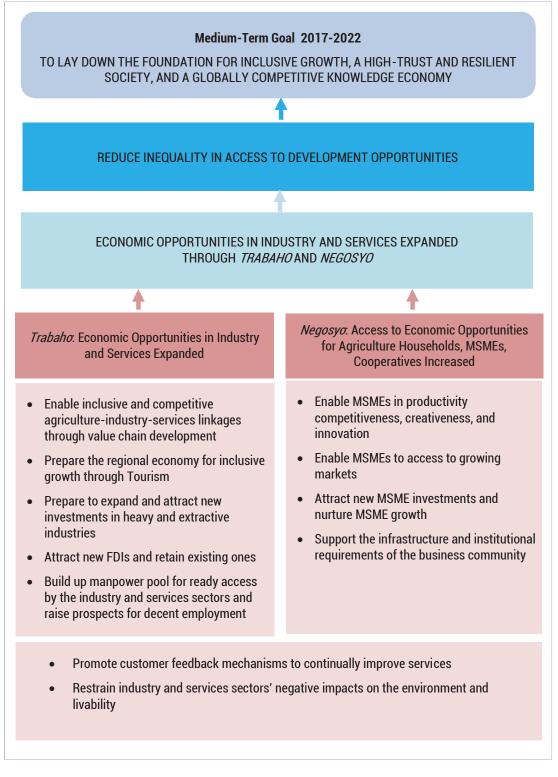
Enable inclusive and competitive agricultureindustry-services linkages through value chain development. This requires establishing better connectivity between and among Agriculture, Industry, and Services players. Rural and value chain development will be promoted towards increasing the productivity of agricultural and rural enterprises and rural tourism. Multi-stakeholder collaboration will scale up work on value chain development to expand economic opportunities for farmers and fisherfolk, cooperatives, food processors, food and accommodation establishments, tourism, transport and logistics, and trade.

Operationally, this means organizing to plan and implement value chain development. Interagency convergence work will deploy and monitor the development of market-driven value chains where Agri-business with small farmers and fisherfolk are an important link, and where the region already has the resource base, competitive advantage, and/or potential to establish and grow. An important aspect of this work is to develop strategies to reverse the trend in declining number of farmers, and to make agribusiness an attractive investment opportunity and occupation.

The RDC economic sector agencies shall align to harmonize their priorities so that they can focus and work together on agreed sector/ priorities. Regional agency performance contracts with their respective central offices shall include inter-agency work on agreed regional priorities. Regional NGAs and LGUs, along with civil society and the business sector shall converge into a "whole-ofgovernment' and "whole-of-society' teams to agree, organize, and collaborate on value chain activities. Priority industry clusters shall initially be: a) Tourism – food certified as being organic and being GAP (good agricultural practice), souvenir food, and manufactured items; and b) Agribusiness - cacao, coffee, palm oil, coconut (coco coir, geonet, and food grade virgin coconut oil), livestock and poultry (native chicken, native hogs, and Siquijor cattle), seaweeds and carrageenan, and fiber and natural-based fabrics.

A value chain link between big business and small community enterprises shall be forged. Strongleader-led cooperatives shall be mainstreamed





into the value chain to consolidate the quantity and quality of supplies required by institutional buyers and to provide negotiating power. Income streams along the value chains on criterion of inclusiveness shall be monitored.

The Services sub-sector shall be organized by their specializations. An IT/ web-based system tool shall be used to shorten search-time for them so that specialized Services can be quickly accessed to, and can respond faster and better to the demands of Agriculture and Industry. The Services supply chain shall be monitored for the ability to produce and deliver at just the right time and at prices that are competitive while providing motivating-level incomes for workers.

The DA's Philippine Rural Development Program (PRDP) shall be made accessible for agribusiness value chain planning, investment programming, project development and implementation.

Prepare the Central Visayas economy for inclusive growth through Tourism. The region's provinces will have distinct tourism brands, themes, destinations, activities, and souvenir products. Intra-regional transport connectivity will enable their integration into a regional tourism circuit for greater diversity in visitor experience. The shipping and airport hub role of Cebu will include other Visayas and northern Mindanao and southern Luzon provinces. Planning for cruise ports in Bohol and Cebu will be started. Major investment promotion areas will be facilities for meetings, incentives, conventions, exhibits (MICE) of at least two thousand seating capacity in Bohol and Cebu, and an International Trade and Exhibit Center in the Panglao Tourism Economic Zone.

Using the value chain development concept, tourism will be developed and promoted to efficiently link to: a) the agriculture and rural sector: agri-tourism, organic agriculture, local culinary tourism, ecotourism; b) the MSME sector: furniture and garments, gifts, decor and houseware, product and process demoexperience centers; and c) the Services sector: arts and entertainment, other creative industries, food and accommodation, tour guiding and training, transport and travel services, and green tourism.

Market intelligence work on spending preferences and behavior of rising tourism markets will be sharpened. Program support will be provided to Manufacturing SMEs to design, develop, package, and market products with local culture and talent content, and bearing quality brands that will bring tourists to use their spending power in the region. Innovation for higher value products will be vigorously promoted. The Retail Trade sector will also be prevailed upon to allocate local gourmet space for see-taste-buy-more visitor experiences.

Tour guiding will be upgraded. Negotiations will be made with the Department of Foreign Affairs so that embassies and consulates can have programs to increase the number of tour guides that are proficient in the language of rising and target tourism markets. Partnerships with the Commission on Higher Education (CHED), Higher Education Institutions (HEIs), and the Technical Education and Skills Development Authority (TESDA) will be forged so that more tour guides develop proficiency in local history and culture and story-telling.

Travel hospitality will be boosted. Sea travel will be scaled up to ASEAN standards. Facilities and services in the various ports of the region's provinces will be made to approximate that of airport-level standards, to make inter-island travel a pleasant and worth-a-comeback experience for domestic passengers and foreign tourists. Jetties and solar-powered electricity and water supply will be target projects in small island destinations.

"Tourism is everyone's business" culture will be promoted. Extra-mile customer hospitality mentality among the citizenry will be aggressively inculcated through audiovisual messages transmitted through DOT, social media, broadcast media, schools, and workplaces. This will be manifested in airports, ports, streets, transport, tourist information centers, and all tourist-related destinations and byways. For medium and longterm sustainability, plans will be formulated to educate children and youth in customer services, history and culture, and multilingual proficiency to set the stage for even better customer services and tourism culture in the future.

Travel corridors will be improved. The sense of arrival/departure and sight-seeing experience of tourists will be enhanced by rehabilitating, cleaning and greening streets, waterways, waterfronts, and port terminal frontages. The green restroom and tourist information center projects will be expanded and services provided there improved. These will be included in the inter-agency convergence projects of the DOT and the Tourism Infrastructure and Enterprise Zone Authority (TIEZA).

Prepare to expand and attract new investments in heavy and extractive industries. Identification of new sites for the expansion of shipbuilding and other allied activities in the western seaboard of Cebu, particularly in the Toledo-Balamban-Asturias corridor, shall be pursued. Also to be explored is the appropriateness and availability in Cebu of sites for the heavy industries included in DTI's National Comprehensive Industrial Strategy (NCIS) particularly for car manufacturing and car parts manufacturing, aerospace parts, resource-based industries, and fabricated metals. The feasibility and environmental-sustainability prospects of extractive industries in the region shall be looked into, particularly mining of copper, dolomite, development of oil and gas reserves, coal reserves, and renewable energy.

Attract new FDIs and retain existing ones.

Ecozone development shall be facilitated with PEZA-NGA-LGU collaboration to attract new FDIs into the provinces. Aggressive marketing and promotion shall be undertaken to attract FDIs that will bring in technologies and shape the productivity experience of the region's work force. The investment promotion efforts of national, regional and local agencies shall be consolidated and intensified. Forging of business partnerships with business groups from ASEAN, China, and India will be assisted. A program for developing culture and language proficiency useful in facilitating business-to-business engagements shall be supported.

Policy support shall be provided to the region's existing manufacturing FDIs, especially, electronics and shipbuilding, and other FDIs which desire to expand their operations in the region. Stakeholder consultations to air and address government-related issues including those on transport and infrastructure, which affect their efficiency and competitiveness, shall be regularly conducted.

The implementation of the national IT-BPM road map found to be relevant to the enterprises and talents of the region shall be promoted. These are in the areas of animation and game development, contact center and business process outsourcing (BPO), health information management, IT and software development, and global in-house centers. Further, the stage shall be set to level up to Knowledge Process Outsourcing (KPO), including forging interactive partnerships with HEIs and other training institutions to build, expand, and organize the human resource pool for KPO services.

Build up manpower pool for ready access by the Industry and Services Sectors and raise prospects for decent employment. The LGU-DOLE Public Employment Service Offices (PESOs) shall have a database of native skills and proficiencies of barangay constituents. This can start off intentional education and skills building efforts for the employed poor, the self-employed poor, and unemployed-poor. The possibility of requiring all youth and adults with below high school education to be enrolled in training module or on-the-job skill-building and certification modules shall be explored.

Trade skill guilds shall be organized for easier search, certification, and benchmarking of professional fees. These will include those currently certified by TESDA, and those which are not yet certified, e.g., equipment (elevator, escalator) technicians, and creative talents. Linkages shall be made with Professional Associations, NGAs, and HEI extension services to provide information on local manpower pools.

Access to Economic Opportunities for Agriculture-Dependent Households, MSMEs, and Cooperatives Increased

Enable MSMEs in productivity, competitiveness, creativeness and innovation. ISO certification coverage shall be expanded to include more SMEs. Deployment of initiatives in the region by the National Competitiveness Council (NCC) shall be supported. Inter-agency efforts shall be undertaken to engage with Services sub-sectors involved in pre-production, production, and postproduction stages of the Agri-Industry-Services continuum. This will address policy and program needs to improve their competitiveness. The capacity of concerned government agencies to collaborate with the logistics and transport industry on contributing locally to the objectives of the national logistics master plan shall be built up. The efficiency of the supply chain ecosystem to promote availability of supply of quality goods and services at reasonable prices shall be monitored.

The HEI/SUC-industry-government linkages shall be utilized for human resources development in Creative Sector MSMEs. The Creative sector, the research/ academe community, and businessmen shall come together to accelerate product and packaging research and development for commercialization to create and sell provincebrand goods and services. The scope of these linkages shall be extended to include building an innovation culture among MSMEs in the region. The Department of Information and Communications Technology, (DICT), Department of Science and Technology (DOST), and DTI shall engage with business associations and chambers of commerce and industry, HEIs, and LGUs to promote innovation in the existing FabLabs and technology incubation centers. Innovations on new products and applied technologies that use indigenous materials shall be targeted outputs. Regional stakeholders shall participate in innovation conferences such as ASEAN Makathons to create high-value products using local raw materials.

To ensure medium and long-term continuity of innovation efforts, Science and Technology (S&T) scholars with innovation projects shall be guided to collaborate with potential SME adopters and to pursue innovation-oriented careers and be part of the innovation pool of talents of the region. Grants, loans, innovation vouchers, and counterpart funding shall be made accessible to innovative SMEs and technical assistance provided to SMEs to promote long-term research collaboration between universities and businesses.

Enable MSMEs to access to growing markets. Product branding shall set the stage for exportquality region-made goods to sell to domestic and Asian markets. Program support shall be given to MSMEs producing export-quality furniture, garments, gifts, decor, houseware to sell to the domestic home furnishings, tourist accommodations, and souvenir markets. Marketing of tourist souvenirs with culture and local talent content shall be integrated with tourist guide services. Local brands from the provinces shall be launched in the international market. Eligibility for Halal-branding of region-made products shall be developed to access to the ASEAN market. MSMEs shall be supported to take part in the ASEAN and Northeast Asian SME partnerships, production networks, and global value chains. Programs to bring market intelligence, creativeness, and innovation into the development and sale of products to the Chinese market shall be implemented.

Attract new MSME investments and nurture MSME growth. Government regulations and support programs shall be reformed to bring government closer to the people. Swift-response systems to address the needs of businesses of all sizes – from micro to small to large – shall be strengthened for a speedy, facilitative, and increasingly trustworthy bureaucracy. Services extended to MSMEs including small foreign investors shall be comparable with the quality of service given to FDIs. This will include a system for encouraging IT-BPM SMEs and startups.

Plans to implement the IT-enabling of the Business Permit and Licensing System (BPLS) in LGUs shall be carried out. Faster procedures shall be ensured for securing construction, occupancy, business and other permits. Business registration processes shall be benchmarked with that of ASEAN countries.

A system for encouraging informal economy players to register into the formal economy shall be developed, along with advocacy on the benefits of such. Bureaucratic reporting requirements, especially on tax payments and documentation, shall be simplified. Microfinance assistance shall be expanded to include business plan preparation, plugging in individual entrepreneurs to cooperatives, and organizing MSMEs for accreditation purposes so that these can access to funds.

MSME support projects in the arsenal of the DTI and DOST shall be continued to promote an entrepreneurship culture, business entry, innovation, greening of operational processes, and competitiveness. Access to entrepreneurship education especially on mentorship on business planning and execution, microfinance, market linkage and networking shall be expanded. The initial results from implementing Shared Services Facilities, *Negosyo* Centers, SME Roving Academy, common service and incubation facilities shall be monitored and nurtured to improve beneficiaries' prospects for success.

The MSMED Plan will be pursued and implemented to improve the business climate and reduce the cost of doing business, as well as promote S&T use and innovation, productivity and marketing. So with the Philippine Export Development Plan (PEDP); its strategies to identify, develop and promote new regional products to enhance the manufacturing sector and to identify new export markets to minimize risks and to diversify foreign markets of goods and services will be implemented.

Support the infrastructure and institutional requirements of the business community. Public Private Partnership (PPP) as a funding option for infrastructure projects shall be promoted. Support shall be given to facilitate PPP funding arrangements for ports, airports, highways, electricity grids, telecommunications and other infrastructure. In addition, consultation mechanisms shall be used to thresh out and resolve outstanding issues of smuggling, corruption, bureaucracy/ red tape; lack of streamlining and automation of interrelated business procedures; high cost of power, and domestic shipping and port charges.

Promote customer feedback mechanisms to continually improve services to competitive levels. Trust relationship between/among government and businesses and public with regard to safety, security, and satisfaction with products and services shall be improved. Apps or IT-enabled survey arrangements shall be developed and used to get customer feedback on satisfaction of experience with LGU, NGA, enterprise, facilities, and product. Citizen and customer feedback of LGU services and experiences shall be sourced from the Community-Based Monitoring System surveys.

Restrain Industry and Services sectors' negative impacts on the environment and livability. The efficiency and greening standards of the Construction, Mining, and Quarrying Industries shall be upgraded as they increase production in response to the demands of the housing and infrastructure investments sub-sectors. Quarrying activities of the informal economy and their impact on the environment shall be monitored. The use of clean technologies shall be promoted for industrial production, greater resource and energy efficiency, and improved water and waste management. Advocacy shall also be undertaken to increase awareness that greening is the best way for business/ industry to become sustainable and profitable in the long-term, and that adopting green practices and implementing green infrastructure projects is the better alternative to traditional industry practices. Awareness about the Life Cycle Assessment and capacity building for its services practitioners shall likewise be undertaken.

Legislative/ Administrative Reform Agenda

To strengthen the effectiveness of the strategies, legislative and/or administrative reform agenda are needed in the following areas:

PROPOSED AGENDA	RATIONALE		
Enabling Tourism as growth driver for the generation citizen satisfaction	of investments and jobs, and customer and		
Mandate the position of Local Tourism Officer	The Local Tourism Officer must have proficiency certification		
Include RDC representative in the DOTr Regional Management Committee as a convergence measure for tourism and travel	To facilitate planning, implementation, and monitoring of seamless travel connectivity		
Provide on-line booking systems for renewal of license of shipping and bus transport	To facilitate implementation of seamless travel connectivity		
Enabling whole-of-government facilitation for value chain development for inclusive, competitive, green, decent work			
Issuance of joint memo circulars for inter-agency work on value chain development	To operationalize a whole-of-government approach in value chain development		
Institutionalization of whole-of-government efforts and outcomes in agency performance indicators	To achieve shared goal and an integrated government response to issues and concerns		
Requiring all youth and adults with below high school education to be enrolled in training and certification modules.	To build up the abilities and productive potential of the marginalized work force		
Formation of trade skills guilds	To facilitate search, certification, and benchmarking of professional fees		
Provision of plantilla positions and budgets for IT personnel in government agencies	To improve e-governance		
Statistical development for improved economic deve governance	lopment planning and more evidence-based		
Mandate the Philippine Statistics Authority to have Tourism and ICT as separate subsector accounts in the estimation of Gross Domestic Product	To improve planning and policy for two major Services subsector drivers		
Provide plantilla positions and budgets for Statistics personnel in LGUs	To institutionalize LGU capacity and structures for statistics competency for development planning		
Institutionalize the National Competitiveness of Municipalities and Cities Index and provide budget support	To put the NCC effort and findings within the Philippine Statistical System		

Table 9.4 Legislative/Administrative Reform Agenda



Chapter 10

Accelerating Human Capital Development

The Regional Development Plan (RDP) recognizes human development as an essential element of inclusive growth. It considers human development not just as an end in itself but also as means to an end (i.e. as means to reduce income poverty).

Equalizing opportunities for human development is the key to transforming economic growth to inclusive growth. It enables every member in society to participate in, contribute to, and benefit from the economic growth, regardless of individual circumstances.

This chapter discusses the region's plan for accelerating human capital development by improving access to quality social services and to full, productive and decent employment. It elaborates on the strategies that will be pursued by Central Visayas in order to address the challenges that curtail the capacity of individuals to participate in the development process and to earn decent income.

Assessment and Challenges

Human Development as a Fundamental Right

Human development can only be fully realized if health care and basic education services are adequately provided. Health care and education are part of every Filipino's fundamental right as enshrined in the 1987 Philippine Constitution.

Indicators for health care suggest that Central Visayas made significant progress in the delivery of some health services including child health care but failed to improve delivery of service in other areas most notably maternal health care. Although child health care improved significantly, malnutrition among children remains prevalent. The National Nutrition Survey (NNS) in 2013 showed that 23 out of 100 children in the region aged 0-5 years old were malnourished.

Gaps in access to quality basic education have also persisted. For one, Central Visayas failed to achieve universal access in primary education. For another, it fell short of its target to extend schooling years of students to complete at least 10 years of basic education. Achievement rates in both elementary and secondary education were likewise below target.

Table 10.1 shows the performance of the region on some indicators of access to quality health care services and education.

Evolving health concerns and reforms in the country's educational system pose greater

INDICATORS	PREVIOUS PLAN/ MDG TARGET	ACTUAL Accomplishment 2015	
HEALTH & NUT	RITION		
Maternal mortality ratio per 100,000 live births	15.0	62.1	
Infant mortality rate per 1,000 live births	11.3	6.4	
Under 5 mortality rate per 1,000 live births	18.2	12.1	
Child malnutrition	16.9	23.1 ^{1/}	
EDUCATION			
Net enrolment rate in kindergarten	100.0	77.7	
Net enrolment rate in elementary	100.0	97.1	
Net enrolment rate in junior high school	70.0	74.3	
Completion rate in elementary	100.0	88.5	
Completion rate in junior high school	78.0	75.3	
Cohort survival rate in elementary	100.0	91.5	
Cohort survival rate in junior high school	83.0	83.1	
Achievement rate in elementary	75.0	72.2 ^{2/}	
Achievement rate in junior high school	62.0	52.8	

1/ Actual 2013

2/ Actual 2014

Sources: Department of Health 7 and Department of Education 7

following the implementation of the K-12 Program in SY 2015-2016, is expected to put more pressure on efforts to increase cohort-survival and completion rates in secondary education. The argument of some sectors that the additional two years in senior high school would only be an added burden to students and parents alike is yet to be disproved when the K-12 Program is fully implemented and its impact on enhancing employability of high school graduates becomes evident.

Likewise, the emergence of new diseases and the surge of lifestyle-related diseases including those resulting from substance abuse and extreme stress have posted additional threats to the region's efforts to improve the health status of its constituents.

As Central Visayas strives to improve the health and educational status of its constituents, it must pursue strategies that will address the issues affecting the delivery and utilization of health care and educational services. Among the challenges that the region must confront in its pursuit for universal access to quality health care and basic education are the following: a) socioeconomic constraints including generally low capacity of the region's constituents to avail of education and health services; b) lack of accessibility to facilities, especially in the rural areas; c) inadequacies of service providers in terms of quantity and quality of services; and (d) inadequacies of current education and health systems to meet the needs of segments of the population vulnerable to marginalization or exclusion, including indigenous peoples and people with disabilities.

Human Development as Means to Reduce Income Poverty

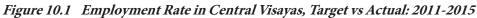
The region's agenda to reduce poverty entails the enhancement of human capital to facilitate absorption of workers in full, productive and decent jobs.

In 2011-2015, the region was able to bring its employment rate close to the plan target of at least 93.6 percent annually on the average. The average employment rate of Central Visayas during the period was 93.5 percent (*see Figure 10.1*).

Despite the region's success in generating over 400,000 jobs in the last five years, 28 out of 100 people in Central Visayas remain poor. Underemployment also persisted, averaging 18.2 percent in 2011-2015. This is mainly because the jobs that were generated failed to satisfy the requirements to substantially raise individual income. Almost half (49%) of the workers that were absorbed by the region's labor market during the period went to the construction, wholesale/ retail trade, and agriculture sectors, which do not provide full employment or guarantee higher income for workers (*see Table 10.2*).

The challenge therefore, is to transform its employment structure by improving labor access to industries that provide full employment and decent pay. The manufacturing industry, which is known to absorb less-educated workers and pay its employees higher wages than other sectors¹, is among the region's target industry for employment (*see Figure 10.2*).

Along this effort, the region has to develop its human capital through relevant education and training. It also needs to improve employment facilitation services so that qualified workers can take advantage of available job opportunities in the target market.





Source: Philippine Statistics Authority and Central Visayas RDP 2011-2016

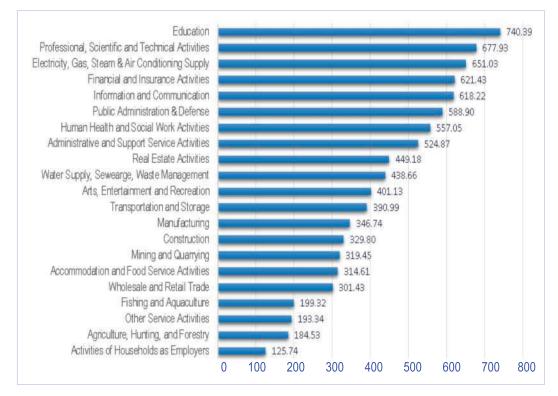
¹ Celia M. Reyes et al., "Regional Integration, Inclusive Growth, and Poverty: Enhancing Employment Opportunities for the Poor," *PIDS Research Paper Series 2014-01*: 23.

INDUSTRY GROUP	NO. OF JOBS Generated (Net of Losses)	AVERAGE DAILY BASIC PAY (In PhP)
Construction	82,000	329.80
Wholesale and retail trade, repair of motor vehicles & motorcycles	70,000	301.43
Agriculture, hunting and forestry	61,000	169.22
Manufacturing	45,000	343.97
Accommodation and food service activities	39,000	295.20
Administrative and support service activities	34,000	504.38
Other Service Activities	34,000	189.23
Transportation and Storage	20,000	369.23
Education	16,000	714.67
Public administration and defense, compulsory social security	15,000	559.79

Table 10.2Average Daily Basic Pay of Top 10 Job Generators, Central Visayas,2011-2015

Source: Philippine Statistics Authority

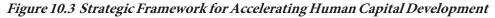
Figure 10.2 Average Daily Basic Pay of Industries, Philippines, 2014

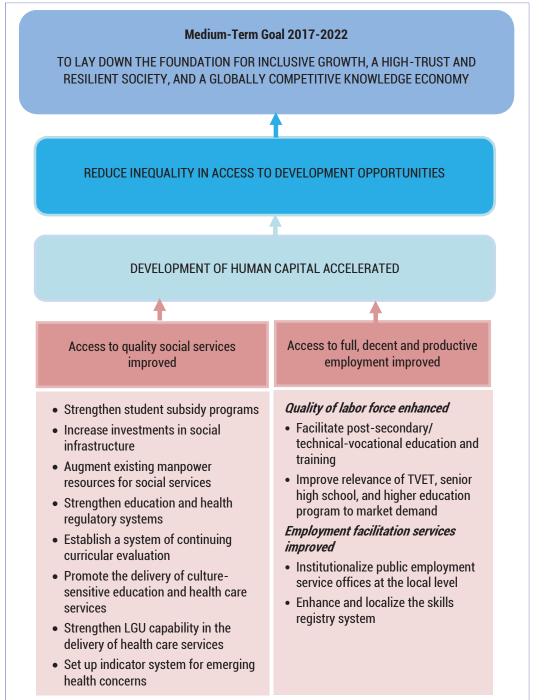


Source: Philippine Statistics Authority

Strategic Framework

Central Visayas aims to accelerate human capital development. In particular, it seeks to reduce inequality in opportunities for human development by improving access to full, decent, and productive employment and to quality social services particularly, health care and basic education.





Targets

Table 10.3 shows the indicators and corresponding targets for improving human development outcomes.

Table 10.3 Targets on Improving Access to Quality Health Care, Nutrition and Basic
Education Services and Access to Full, Decent and Productive Employment

INDICATORS	BASELINE (2015)	END OF PLAN TARGET (2022)
Improving Access to Quality Health an	d Nutrition Care	
Maternal mortality ratio per 100,000 livebirths	62.07	53.5
Infant mortality rate per 1,000 livebirths	6.39	5.00
Under 5 mortality rate per 1,000 livebirths	12.06	9.60
Child malnutrition rate	23.10 ^{1/}	
Improving Access to Quality Basi	c Education	
Net enrolment rate in kindergarten	77.7	83.0
Net enrolment rate in elementary	97.1	99.0
Net enrolment rate in junior high school	74.3	85.0
Completion rate in elementary	88.5	92.0
Completion rate in junior high school	75.3	80.0
Cohort survival rate in elementary	91.5	95.0
Cohort survival rate in junior high school	83.1	87.0
Achievement rate in elementary		
Proportion of students moving towards mastered, closely approximating mastery, and mastered ^{2/}	68.7	80.0
Proportion of students moving towards mastery	3.3	2.5
Achievement rate in junior high school		
Proportion of students closely approximating mastery	0.01	0.2
Proportion of students moving towards mastery	17.9	19.8
Proportion of students at low mastery	7.5	4.5
Improving Access to Full, Decent, and Productive Employment		
Employment rate (%)	94.0	96.0-96.3
Underemployment rate (%)	18.4	16.0-18.0
Poverty incidence among employed	26.5 ^{2/}	

Notes: ^{1/} Based on 2013 Survey

^{2/} Based on 2012 poverty estimates for basic sector

Sources : Department of Health 7 and Department of Education 7

² Mastery level Categorization - mastered (96-100%), closely approximating mastery (86-95%), moving towards mastery (66-85%), average mastery (35-65%), low mastery (15-34%), very low mastery (5-14%), absolutely no mastery (0-4%)

Strategies

Improving Access to Quality Social Services

Strengthen Student Subsidy Programs. Towards this end, the RDC-Social Development Committee (SDC) in collaboration with the Department of Education (DepEd) shall prepare a concept paper, the coverage of which shall include the Education Service Contracting Scheme for junior high school and the Voucher Program for senior high school. The policy paper shall assess existing guidelines in the granting of subsidies to high school students under the two programs for example and come up with recommendations on how to implement the program more equitably and effectively.

Increase investments in social infrastructure. The region will increase investments in educational and health facilities, giving priority to underserved and unserved areas in the construction of

elementary/secondary schools, day-care centers, health centers, hospitals, and water and sanitation facilities. Construction of classrooms for senior high school will also be given priority. *(see Chapter 19)*

Under this strategy, the region will ensure that special requirements of PWDs and IPs are integrated in the design of social service facilities.

Augment existing manpower resources for social services. DepEd shall fast-track the filling up of teacher positions to support the full implementation of the K-12 program. Central Visayas has 2,262 slots for senior high school teachers in public secondary schools and only half of this has been filled up as of November 2016. It shall also fast-track the hiring/ deployment of teachers in schools that do not or barely meet the standard teacher-pupil ratio. (*see Table 10.4*)

As part of initiatives to address inadequacy of social services personnel in LGUs, the region,

	ELEMENTARY		SECONDARY
Bohol	Bien Unido; Talibon I & II; Ubay I (Northeast), II (East), and III (Southwest); Getafe	Bohol	
Cebu	Alcoy; Asturias; Badian; Balamban I & II; Bantayan I & II; Barili I & II; Borbon; Carmen; Compostela; Consolacion; Cordova; Daanbantayan I & II; Dalaguete I & II; Dumanjug II; Liloan; Madridejos; Medellin; Mingalnilla I & II; Pinamungahan I & II; San Fernando; San Francisco; San Remegio II; Santa Fe; Sibonga; Tuburan I & II; Cebu City North District 3, South District I, South District II, South District 3, South District 4, South District 5, South District 6, and South District 7; Carcar City I & II; Naga City I, II & III; Danao City East, North, South, and West; Lapulapu City Central, North, South, and West; Talisay City I, II and III; Toledo City East, North, South, and West	Cebu	Danao City; Lapulapu City
Negros Or.	Basay (Sub-District); Canlaon City; Siaton East	Negros Or.	Bayawan City; Guihulngan City

Table 10.4 Priority School Districts for Hiring/Deployment of Teachers

through the Central Visayas RDC, shall push for the amendment of the provision in the Local Government Code that limits the budget for personal services so that local government units could increase the plantilla positions for social services. It shall also lobby for the updating of the Philippine Human Resource for Health (PHRH) Master Plan (2005-2030), which serves as framework to support PHRH development in the country. Likewise, it shall lobby for the institutionalization of the Human Resource for Health Network (HRHN), which was established by the Department of Health (DOH) based on the recommendations of the Philippine HRH Master Plan. The HRHN serves to address the lack of structure in the country solely devoted to HRH development.

Table 10.5 shows the priority health personnel for hiring by LGUs.

The RDC shall likewise push for the conduct of a study on how to address the shortage of medical personnel in DOH (i.e. doctors, midwives, medical technologists, and dentists) for deployment to the LGUs. At present, the DOH has difficulty attracting medical professionals because they are only hired under job order arrangements. A possible strategy worth considering to address the said problem is to revive the Pinoy MD scholarship program.

Strengthen education and health regulatory systems. The region shall lobby and support policies that would strengthen the regulation of healthcare and basic education providers. The Social Development Committee of the RDC in collaboration with the DepEd shall prepare a policy proposal on improving the mechanism for evaluating the quality of service delivery of elementary/ secondary schools. Achievement rates of individual schools can be used to gauge performance in terms of providing quality education to students. A third party evaluator may be employed to ensure credibility of evaluation results.

For the health sector, the DOH shall strengthen its regulatory function by expanding its pool of technical experts within the bureaucracy that can handle the areas of quality assurance of health care and certification, conformity testing and the monitoring of health products, or products that can affect health.

Establish a system of continuing curricular evaluation. The DepEd shall establish a system of continuing curricular evaluation and reform to make the basic education curriculum responsive to the educational realities of the country and the demands of a rapidly changing market conditions including the emergence of new ICT-based services. At the very least, reforms in the basic education curriculum are needed to strengthen the critical thinking, creative, and problem-solving skills of students. They are also necessary to ensure that secondary level education (i.e junior and senior high school) curricula are relevant to skills/competency requirements of industries. All stakeholders including local school boards shall be involved in the process of curricular change.

HEALTH PERSONNEL	STANDARD	EXISTING RATIO	
Medical Technologists	1:20,000	1:47,114	
Sanitary Inspectors	1:20,000	1:25,506	
Physicians	1:20,000	1:28,341	
Dentists	1:50,000	1:51,367	

Table 10.5 Priority Health Personnel for Hiring by LGUs

Source: Department of Health 7

Under this strategy, the RDC shall prepare a concept paper in collaboration with DepEd on how to enhance the quality of classroom instruction in public school system. It shall likewise propose the conduct of an evaluation on the impact of Mother Tongue Based-Multilingual Education (MTB-MLE) implementation on the quality of basic education in the country.

Promote the delivery of culture-sensitive education and health care services. The Central Visayas RDC shall monitor through the SDC the implementation of DepEd Department Order No. 62, s. 2011 in the region. In particular, the RDC shall monitor the hiring, deployment, and development of teachers under the Indigenous People (IP) Education Program. Section 15d of the said department order provides for the strengthening of the hiring, deployment, and continuous development of teachers and learning facilitators in the implementation of the IP Education Program.

The RDC shall also monitor the implementation of DOH-NCIP-DILG Joint Memo Circular No. 2013-01, which governs the delivery of basic health services for Indigenous Cultural Communities/Indigenous Peoples in the region.

Strengthen LGU capability in the delivery of health care services. The DOH shall intensify the conduct of trainings for LGU health personnel to enhance their capacity to respond to emerging health concerns and effectively carry out their responsibilities. Among the priority areas for capability building programs of LGU health personnel are the following: emerging diseases, rehabilitation of victims of substance abuse, and reproductive health.

Regular monitoring of substance-abuse victims shall be undertaken by the LGUs for a period of at least 6 months to ensure full rehabilitation. To support the implementation of community-based drug rehabilitation programs, the DOH shall provide the LGUs with drug testing kits to be used for daily monitoring of drug users who have surrendered to authorities. Under this strategy, the RDC shall push for the establishment and operationalization of Interlocal Health Zones (ILHZ). An ILHZ is any form of organized arrangement for coordinating the operations of an array and hierarchy of health providers and facilities, which typically includes primary health providers, core referral hospital and end-referral hospital, jointly serving a common population within a local geographic area under the jurisdiction of more than one local government. It allows LGUs to cooperate in order to improve access of their constituents to a range of health services despite limited resources.

Set up indicator system for emerging health concerns. DOH shall be assisted in setting up an indicator system for emerging health concerns. The indicator system shall facilitate a more comprehensive monitoring of the region's performance in health service delivery.

Improving Access to Full, Decent and Productive Employment

Enhancing Quality of Labor Force

The region will ensure that its labor force including the prospective ones will have access to education and training that will enable them to qualify in jobs that provide full, decent and productive employment.

Facilitate post-secondary/technical-vocational education and training. Scholarship and financial assistance programs are means to facilitate skills acquisition through education and training. They serve as vehicles especially for the financially challenged but highly motivated individuals to pursue higher/specialized education and training.

To facilitate completion of tertiary education of government scholars, the region through the RDC shall push with the Unified Student Financial Assistance System for Tertiary Education (UniFAST)Board the granting of full scholarship to all beneficiaries of scholarship programs under the UniFAST law. The RDC shall also work for the adherence to the priority courses in the grant of scholarships under the UniFAST law. This means that scholarships will only be granted to those enrolled in the priority courses of the region.

To facilitate qualification of IPs in scholarship programs, particularly for Technical and Vocational Education and Training (TVET) courses, the National Commission on Indigenous Peoples (NCIP) shall coordinate with the Technical Education and Skills Development Authority (TESDA) for the issuance of a joint memorandum, providing special guidelines in the granting of scholarships to IPs.

Efforts to refocus the scholarship programs in post-secondary education to the region's priority courses shall be complemented with measures to ensure that courses relevant to the region's priority industries are offered in public Higher Education Institutions (HEIs) and training institutions for TVET. Initially, the region's stakeholders have recommended the offering of courses that support the following sectors: a) agri-fishery; b) agribusiness; c) agro-industry; d) tourism (particularly SCUBA diving); e) IT-BPM; f) semiconductor and electronics; g) automotive; h) other manufacturing industries; i) food processing (including food technology); j) logistics; and k) general infrastructure (particularly civil engineering for the Province of Siquijor).

Under this strategy, TESDA shall likewise endeavour to increase the number of training providers in the region, making sure that qualifications that lack or have no providers will be adequately filled up. As much as possible, TVET training centers shall be established in unserved or underserved areas or LGUs shall be assisted in inviting mobile training providers to implement programs in areas located away from the training centers.

Among the qualifications that need additional providers are the following: fashion designing (NC III); events management (NC III); automotive servicing (NCIII and NCIV); furniture making (finish) (NC II); instrumentation and control (NC II, NC III and NC IV); mechatronics servicing (NC II and NC III); visual graphic design (NC III); programming (NC IV), 3D and 2D animation (NC III); electrical installation and maintenance (NCIII); shielded metal arc welding (NC III and NC IV); flux-cored arc welding (NC III and NC IV); submerged welding (NC II); plumbing (NC III); computer numerical control machining (NC II) (lathe and milling); housekeeping (NC III); front office services (NC II); fiber optics; and photo voltaic (PV)/ system installation.³

To facilitate entry to and completion of students in tertiary education, the region shall work on the improvement of achievement rates in lower level (senior high school) education *(refer to section on Access to Quality Social Services)*.

Improve relevance of TVET, senior high school, and higher education program to market demand. DOLE shall collaborate with industry associations in the formulation of a Human Resource Development (HRD) Roadmap for Central Visayas that would outline the skills needs of industries in the region. The Roadmap can be used by the Commission on Higher Education (CHED), DepEd, and TESDA in developing regular school programs or specialized training programs. It can also serve as basis for redesigning the curriculum of courses offered by educational/ training institutions in the region. In this way, industries in the region are able to participate in the development of training curricula to ensure that their human resources requirements are substantially met.

³ National Certificate or NC is issued when a candidate has demonstrated competence in all units of competency that comprised a Qualification. The qualification levels are: National Certificate I (NC I) - performs routine and predictable tasks and works under supervision; National Certificate II (NC II) - performs prescribed range of functions involving known routines and procedures; National Certificate III (NC III) - performs wide range of skills and works with complexity; National Certificate IV (NC IV) - performs a wide range of applications and have responsibilities that are complex and non routine. Assessment may be done through any of the following: demonstration/observation with oral questioning, written test, third party report, and portfolio and work projects.

CHED, TESDA and DepEd shall also ensure the alignment of course offerings as well as facilities of schools and training institutions in the region to DOLE's HRD Roadmap. Programs that would respond to emerging occupations/skills requirements shall be developed and provided adequate facilities while programs for obsolete occupations/ skills requirements shall be phased out.

Among the emerging jobs identified in the HRD Roadmap of the Department of Labor and Employment (DOLE) are the following: a) aerospace engineers with green enhanced skills; b) automotive engineering technicians; c) fuel cell engineers; d) fuel cell technicians; e) robotics engineer and technicians; f) electronic commerce specialist; g) electromechanical engineer; h) electric vehicle driver; i) commercial and industrial designers; and j) skills that meet the demand for shipbuilding and retrofitting works for disaster resilient infrastructure and delivering renewable energy. The HRD Roadmap also classified the following jobs as obsolete and will no longer be relevant in the next 6 years: (a) in-bound customer service representatives and structured tasks; (b) legal transcription; and (c) manual engineering drawing.

As a strategy to encourage training institutions to upgrade their facilities or acquire relevant training equipment, the RDC shall work for the provision of tax incentives to TVET institutions in the acquisition of said equipment.

TESDA shall likewise regularly update the assessment package for various tech-voc qualifications to ensure that they remain relevant to industry needs.

Under this strategy, CHED, TESDA and DepED shall adopt a policy that would intensify partnership of schools with industry to facilitate industry immersion of trainers/ teachers and students alike. Industry immersion would expose teachers and students to actual workplace situations and provide them practical learnings that could not be obtained under normal classroom setting.

As part of efforts to prepare the region's educational system to the emerging skills requirements of industries, CHED, TESDA, and DepEd shall take advantage of the scholarship programs to develop a pool of qualified trainers/ instructors particularly for emerging skills. Among others, Trainers Methodology Level I shall be given priority for scholarship grants to trainers/ instructors.

Improving Employment Facilitation Services

Efforts on enhancing human capital will be complemented with efforts to improve employment facilitation services. This is to facilitate absorption of qualified labor force in the region's target industries.

Institutionalize Public Employment Service Offices (PESOs) at the local level. Local government units and DOLE shall fast track the institutionalization of PESO at the local level, pursuant to DOLE Department Order No. 157-16. The DOLE shall assist cities and municipalities in the region to enact an ordinance creating their PESOs and provide plantilla positions thereof in accordance with Section 3 of the said Department Order.

The LGUs shall ensure that their PESOs are functional so they can serve as one-stop centers that allow workers and employers to access various employment services such as job and training information, skills assessment and development, counselling, placement, and other services that can be included in the employment programs of local government units.

Enhance and localize the skills registry system. LGUs, through their PESOs, shall establish and maintain their respective web-based skills registry system. For the purpose of establishing and maintaining the database, cities and municipalities in the region shall commission the barangays in the conduct of survey on the labor force profile of their respective localities. At the very least, the skills registry system of the LGU shall contain information on the educational attainment, employment status, work experience, and skills of the working-age population (15 years old and above).

To facilitate utilization of the Skills Registry System (SRS) by the LGUs, DOLE shall look into the possibility of redesigning the system to make it more user-friendly.

TESDA and DOLE shall also be assisted to enter into an agreement for the development of a Unified Portal for Job Matching (UPJM) that would feature the skills registry databases of both agencies.

Legislative Agenda

To implement and support the strategies, the legislative actions outlined in Table 10.6 are needed.

LEGISLATIVE AGENDA	RATIONALE
Amendment of Local Government Code Provision Limiting Budget for Personal Services	Section 325 of the Local Government Code sets limits in the annual appropriations for personal services (PS) by LGUs. There is a need to review this particular provision in the LGC which is oftentimes cited as one of the factors that limit the LGUs' capacity to provide adequate manpower for social and other critical services. An adjustment in the PS limitation can allow the LGUs to create plantilla positions for additional manpower in the social sector for the effective and efficient delivery of social services to its constituents.
Institutionalization of the Human Resource for Health Network (HRHN)	This Bill aims to institutionalize the Human Resource for Health Network (HRHN) created by DOH in 2006 to solve and respond to Human Resources for Health (HRH) issues and problems including migration.
Provision of Tax Incentives in the Acquisition of Training Equipment by TVET Institutions	This is to encourage TVET institutions to upgrade their facilities or acquire relevant, modern training equipment.

Table 10.6 Legislative Agenda to Improve Human Capital



Chapter 11

Reducing Vulnerability of Individuals and Families

Central to the region's inclusive growth agenda is the reduction of vulnerability of individuals and families. This can be achieved through the implementation of social protection programs and policies, which are designed to reduce poverty and enhance the capacity of individuals and families to deal with sudden shocks, may it be economic, health-related or caused by calamities and disasters.

This chapter discusses the strategies for strengthening the implementation of social protection programs in Central Visayas, and in the country in general. It proposes various modes for improving access to existing social protection programs.

Assessment and Challenges

The Philippines has a wide array of social protection programs and policies geared at protecting and managing vulnerabilities of individuals so that they do not slip into poverty upon the occurrence of sudden shocks, and to assist the poor and marginalized so they can move out of poverty. The social protection programs and policies in the country can be categorized into social insurance, labor market interventions, social safety nets, and social welfare.

Social insurance programs seek to mitigate income risks by pooling resources and spreading the risks across time and classes. These types of programs are premium-based schemes and protect households from life-cycle and health-related risks. Health insurance, crop insurance, and pension are examples of social insurance.

Labor market interventions are measures aimed at enhancing employment opportunities and

protecting the rights and welfare of workers. Government policies and programs aimed at ensuring compliance of employers to general labor standards and occupational safety and health standards are part of labor market interventions. Employment facilitation schemes, active labor market programs (ALMPs), emergency and guaranteed employment are also forms of labor market interventions.

Social welfare programs are those that prevent the poor and the marginalized from falling further into poverty. They are time-bound programs intended to help the poor beneficiaries develop their basic capacities in meeting future needs and to improve their economic conditions. One of the most notable social welfare program implemented by the government is the Pantawid Pamilyang Pilipino Program (4Ps). Out of the 247,204 beneficiary-families of the program in Central Visayas, 30,520 families thus far have improved their economic conditions to become selfsufficient. Another social welfare program being implemented by the government is the Social Pension for Indigent Senior Citizens Program. Under this program, more than 65,000 indigent senior citizens in Central Visayas in 2015 were provided PhP500 monthly stipend by the government. This number is almost six times more when the program started in 2011.

Safety nets are stop-gap mechanisms of urgent responses that address effects of risks on specific vulnerable groups. They are mostly short-term measures such as responses after the onslaught of typhoons in an area.

Despite the existence of several social protection programs, many of the region's constituents continue to be poor and remain vulnerable to various risks. This is because the coverage of social protection programs is incomplete and their delivery is diffused. Moreover, financing of the programs is limited and uncertain.

In the case of the social insurance system, for instance, its security package does not include unemployment insurance. This safety net which is supposed to cushion against temporary joblessness is often sidestepped because of the huge funding requirements.¹ People in the informal economy such as daily-rated laborers, farmers, fisherfolk, and many urban selfemployed do not have adequate social protection. Many of them are excluded in the social health insurance programs. According to health experts, a major gap exists in the social health insurance program for beneficiaries who are neither too poor to qualify as indigents nor well-off enough to pay for regular Philhealth premium contribution.² Another exclusion in the country's health insurance program but which is critical for maintaining the overall well-being of an individual is mental health care. Among those vulnerable to this type of illness are women and children, distressed Overseas Filipino Workers (OFWs), victims of disasters, and victims of substance abuse.

Weak monitoring mechanism of compliance to existing laws that promote social protection, such as those pertaining to labor standards and benefits including the Domestic Workers Act (RA 10361) and those that promote the welfare of elderly, children, and persons with disabilities, has resulted in the deprivation of social protection for some segments of the region's population.

Strategic Framework

Central Visayas aims to reduce the incidence of extreme poverty by assisting the poor and marginalized move out of poverty, and by enhancing the capacity of individuals and families to cope with various forms of shocks that may lead into poverty. This will be made possible by enhancing the social protection programs and improving access to these programs by the vulnerable groups of the population.

Targets

The objective is to bring down extreme poverty and to improve access of vulnerable groups to social protection programs. *Table11.1* presents the targets of the region to improve access to social protection programs.

Strategies

Expand the scope and coverage of social protection programs. The Department of Social Welfare and Development (DSWD) shall update and expand the "*Listahanan*",³ which shall be used as basis in the granting of social service benefits under the

¹ Eduardo Gonzalez, "Social Protection in the Philippines", in *Missing Targets: An Alternative MDG Midterm Report* (Philippines: Social Watch Philippines, 2007), 74, https://issuu.com/socialwatchphilippines/docs/missing-targets

² Ibid., 75

³ Listahanan, also referred to as the National Household Targeting System for Poverty Reduction (NHTS-PR), is a database of the poor in the country who shall be recipients of social protection programs of government.

Figure 11.1 Strategic Framework to Reduce Vulnerability of Individuals and Families, 2017-2022

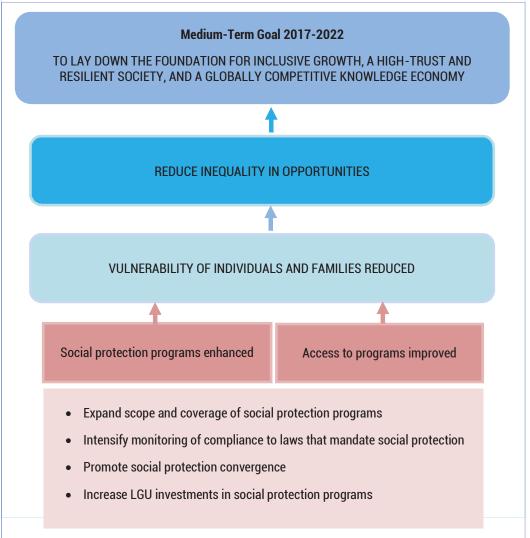


 Table 11.1 Targets in Improving Access to Social Protection Programs

INDICATORS	BASELINE (2015)	END OF PLAN TARGET	
Reduction of Extreme Poverty			
Subsistence incidence among families (%)	9.8	5.0	
Subsistence incidence among population (%)	11.9		
Proportion of 4Ps beneficiaries considered self-sufficient (%)	12.3	increasing	
Improving Access to Social Protection Programs			
Proportion of poor households covered by 4Ps (%)		100.0	
Philhealth coverage of poor households (%)		100.0	
Philhealth coverage of OFWs		100.0	
Social pension coverage of indigent senior citizens (%)	77.5		

Pantawid Pamilyang Pilipino Program. Along with efforts to expand the list of potential beneficiaries, the region shall encourage LGUs and NGAs to utilize the "*Listahanan*" database in the identification of beneficiaries for their social protection programs.

The LGUs in the region shall be tapped to assist the DSWD in monitoring the services provided to the poor families in their localities as well as the status of these families. The active participation of LGUs in the monitoring of the status of social protection program beneficiaries in their areas will facilitate delisting of families that have overcome extreme poverty from the *Listahanan* even prior to the conduct of another survey. This way, the limited resources of government for social protection can benefit more families that need assistance to overcome poverty. LGUs shall be encouraged to include monitoring social protection services in their Community-Based Monitoring System (CBMS).

The RDC shall also assist in exploring the possibility of introducing an unemployment insurance scheme for private sector employees. Since the availability of initial funding is critical to the program, possible sources of funds needs to be identified which shall be used in facilitating the implementation of the insurance scheme.

In the same manner, the RDC shall push for the integration of mental health care into general health care so it could be covered by the social health insurance program. It shall also work for the provision of social pension to indigent PWDs.

Likewise, the RDC shall support pending bills in Congress (e.g., Senate Bill 1171) that seek to improve and expand the agricultural insurance program in the country for the benefit of farmers and fishermen.

Intensify monitoring of compliance to laws that mandate social protection. Mandated government agencies (DOLE, OWWA, SSS, and Philhealth) shall intensify the monitoring of compliance by employers in the provision of compulsory social protection coverage to their employees. DOLE shall also intensify monitoring of compliance by emloyers of labor standards and occupational safety and health standards (OSHS). To complement the efforts of DOLE in the monitoring of OSHS compliance, LGUs shall be assisted to organize local composite teams that shall undertake the monitoring of OSHS compliance by establishments in their localities.

DOLE shall also look into the possibility of deputizing and training local PESO personnel or the members of the local composite team to assist in the monitoring of labor standards and OSHS compliance by establishments in their localities.

The RDC, through the SDC shall monitor LGU compliance to laws requiring them to integrate programs in their budget for the following: a) Gender and Development (RA 7192 and RA 9710); b) Senior Citizens (RA 9994); c) Persons with Disabilities (RA10070); d) Local Councils for the Protection of Children (RA 9344); and e) Disaster Management.

Promote social protection convergence. The Central Visayas RDC shall assist DSWD implement activities for the convergence of social protection programs. It shall also enjoin LGUs in Central Visayas to mainstream Social Protection (SP) in their respective development plans and to adopt the convergence approach for SP as promoted by DSWD. It shall also request LGUs to regularly submit to DSWD their SP Development Report for greater NGA-LGU coordination in the implementation of SP Programs.

Increase LGU investments in social protection programs. LGUs in the region will be enjoined to increase their investments in social protection programs to address the needs of their respective constituents, particularly those who are left out in the SP programs of the national government. Social protection programs that are driven primarily by LGU investments will serve to complement the SP programs provided by the national government. Among the social protection facilities that LGUs can invest in are half-way houses, home for the aged, youth homes, and crisis center for disadvantaged children and women.

In support to this strategy, the Central Visayas RDC shall push for the inclusion of LGU initiatives in implementing social protection programs in the criteria for the Seal of Good Local Governance.

Legislative Agenda

To complement and support the strategies, the legislative actions outlined in Table 11.2 will be pushed.

Table 11.2 Legislative Agenda to Reduce Vulnerability of Individuals and Families, 2017-2022

LEGISLATIVE AGENDA	RATIONALE	
Expand Scope and Coverage of Social Protection Programs		
Integration of Mental Health into General Health Care	The integration of mental health into general health care will make mental health care more accessible and affordable. It will pave the way for the expansion of the coverage of social health insurance programs to include mental disorders or illnesses.	
Improving/ expanding the agriculture insurance program in the country	Senate Bill 1171 seeks to: provide compensation to farmers who suffer from recurrent disasters and calamities, sustain agricultural credit financing, and ensure food security, by making insurance mandatory for palay and other essential crops.	
Provision of Social Pension to Indigent PWDs	This will expand the benefits and privileges granted to PWDs under RA 10754 by introducing a Social Pension Program for Indigent PWDs.	
Unemployment Insurance	This seeks to address income insecurity of displaced workers especially in the private sector. For a more efficient system that provides incentive to re-entry into the labor market, unemployment insurance must be linked to active labor market programs such as employment facilitation, skills training, and livelihood.	



Chapter 12

Building Safe and Secure Communities

The 1987 Philippine Constitution provides that "the State shall, by law, and for the common good, undertake, in cooperation with the private sector, a continuing program of urban land reform and housing, which will make available at affordable cost, decent housing and basic services to underprivileged and homeless citizens in urban centers and resettlement areas". Thus, the Regional Development Plan 2017-2022 includes building safe and secure communities as one of its priority agenda.

This chapter discusses the challenges and strategies of Central Visayas in facilitating the realization of every Filipino's aspiration for adequate housing. For this planning period, the region aims to lay the foundation for future efforts in building safe and secure communities for Central Visayans.

Assessment and Challenges

Central Visayas has a long standing problem on housing backlog. However, because of weak mechanism for monitoring the implementation of housing programs, the region has made very little progress in addressing the problem.

The primary bottleneck that hampers the region from effectively implementing solutions to its housing problem is the lack of accurate information on the extent of its housing needs. The Housing and Urban Development Coordinating Council (HUDCC) relies on the local government units in the determination of the housing needs based on their respective local shelter plans. Therefore, until all LGUs in the region are able to formulate their local shelter plans, the region could not accurately estimate its actual housing needs. As of 2016, only four LGUs in Central Visayas have approved local shelter plans. The presence of local shelter plans and programs does not only facilitate estimation of housing needs; more importantly, it allows LGUs to have a basis in appropriating budget for local shelter concerns. The failure to prepare shelter plans has therefore contributed to the housing backlog.

The issues relative to the institutional deficiencies in the housing sector is compounded by problems on rapid urbanization. Based on data from the Philippine Statistics Authority (PSA), the population in the Metro Cebu area, which is the region's urban core, grew by 2.63 percent annually on the average for the past 15 years to reach 2.84 million in 2015. Tagbilaran City and Dumaguete City are also quickly becoming populous with population in these cities growing annually by 2.03 percent and 1.68 percent, respectively, between 2000 and 2015.

The influx of people to the cities has resulted in the proliferation of slums and informal settlements in the urban areas. Because of the prohibitively expensive lands and high rents in the urban areas, many families are prompted to live in unauthorized housing units with insecure tenure. They reside in slum areas that are usually high risk for flooding (beside waterways) and lack standard conveniences such as electricity, water, and drainage facilities. These families endure the dangerous and difficult conditions in slum areas just to be close to their sources of income.

A major impediment in the implementation of an effective housing program for the underprivileged and homeless constituents in Central Visayas is the failure of many LGUs to prepare or complete their comprehensive land use plans (CLUPs) and to undertake the other tasks expected of them under RA 7279. Under RA 7279 otherwise known as the Urban Development and Housing Act of 1992 (UDHA), LGUs are mandated to do the following: a) prepare a CLUP; b) conduct an inventory of all lands and improvements thereon within their respective localities in coordination with the Housing and Land Use Regulatory Board (HLURB) and with the assistance of the appropriate government agencies and update the same every 3 years; and (c) identify, in coordination with NHA, HLURB, NAMRIA and the Land Management Bureau of DENR lands for socialized housing and resettlement areas. Moreover, leakages of housing subsidies to non-poor families have been noted. Surveys and anecdotal evidence show that not all informal settlers are income poor¹. Some informal settlers have actually improved their conditions and status since the time they started to settle illegally on unoccupied tract of land. Some are even middle-class urbanites and professionals who opt to reside in slum areas to avoid the financial burden attendant to owning formal housing or land.²

Considering the limited resources available for socialized housing, the government needs to improve the implementation of housing programs to ensure that subsidy programs reach the intended beneficiaries, particularly those who cannot afford to put up houses on their own. According to a World Bank report (2001), nonpoor families including those living in informal settlements usually benefit from government housing programs. Although 95 percent of the beneficiaries of socialized housing programs are from the urban areas, the poor comprise only 20 percent of this number and few come from the bottom poor³. Based on section 17 of the UDHA, LGUs are responsible for identifying and registering all qualified socialized housing beneficiaries within their respective localities.

Alongside efforts to address the deficiencies in the implementation of housing programs, the government needs to implement schemes that would effectively increase production capacity to meet the growing housing demand triggered by rapid urbanization.

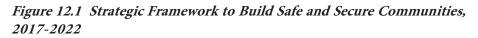
Strategic Framework

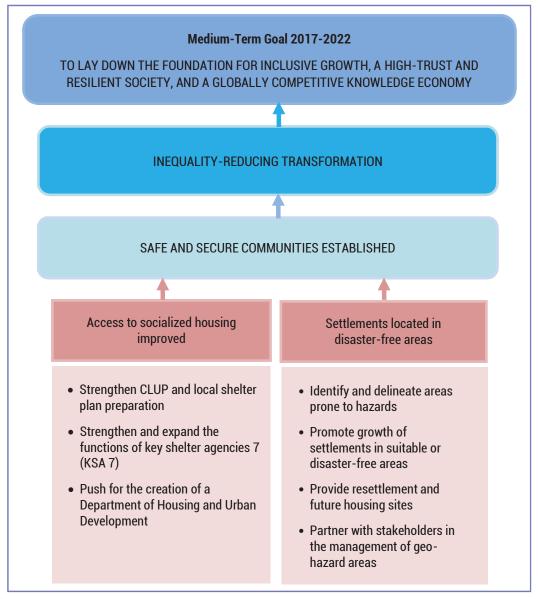
Central Visayas aims to improve access to socialized housing in order to ensure that the underprivileged are provided with adequate and decent housing.

¹ John Francis Lagman, "Anatomy of the Nations Housing Problems," *In Focus* 10 (2010): 106, http://philrights.org/wp-contents/ uploads/2011/07/In-Focus-Issue-No.-10.pdf.

² Ibid., 107.

³ Ibid.





Targets

Table 12.1 Targets on Improving Access to Socialized Housing

INDICATORS	BASELINE (2015)	END OF TARGET (2022)
Housing backlog	167,818 ^{1/}	decreasing
Percentage of LGUs with updated CLUPs	21.2	increasing
Percentage of LGUs with approved Local Shelter Plan	3.0	100.0

Note: ^{1/} Unofficial estimate as of November 2016, excluding Siquijor

Strategies

Improving Access to Socialized Housing

Strengthen CLUP and Local Shelter Plan Preparation. The HLURB shall continue to provide technical assistance to LGUs in the formulation/updating of their CLUPs.

The HLURB shall coordinate with the Department of Interior and Local Government (DILG) in monitoring the preparation by LGUs of their CLUPs.

Also under this strategy, the HUDCC shall fasttrack the conduct of trainings among LGUs on the Local Shelter Plan. It shall vigorously promote the organization by LGUs of the Local Housing Boards. The Local Housing Board can undertake the preparation of the local shelter plan with the technical support of the HUDCC and key housing agencies.

Strengthen and expand the function of the Key Shelter Agencies 7 (KSA 7). The Key Shelter Agencies 7 (KSA 7) shall be strengthened and shall serve as the region's Technical Working Group for Housing Development. As such, it shall come up with recommendations to improve the implementation of housing programs in the region so that the issue on leakage would be addressed. It shall also look into the factors contributing to the slow implementation of housing projects. Moreover, it shall review the existing ceiling for socialized housing of PhP450,000 per unit to determine its sufficiency in providing decent dwelling units. The recommendations of the KSA 7 shall be elevated to the Regional Development Council (RDC) for onward endorsement to appropriate agencies at the national level.

Lobby for the Creation of Department of Housing and Urban Development. The RDC shall push for the creation of a Department of Housing and Urban Development (DHUD). This is to strengthen the regulatory environment of the country's housing sector. The proposed DHUD will assume the lead role in coordinating, regulating, and supervising government activities relative to housing and urban development.

Location of Settlements in Disaster-free Areas

Identify and delineate areas prone to hazards. The boundaries of hazard prone areas and environmentally critical areas shall be clearly delineated and mapped out to determine the limits of land development, control the encroachment of settlements, and lessen the occurrence of natural disasters or loss of lives and damage to properties due to disasters. The information shall be disseminated to local government units and residents of affected areas so that disaster management programs appropriate to the area could be prepared.

Growth shall be restricted in areas identified as hazard-prone in order to prevent the occurrence of disasters. LGUs shall be required to protect the area by adopting policies and development regulations. Unless there are no feasible and prudent alternatives, new developments/ activities shall not be located in hazard-prone areas.

Promote growth of settlements in suitable or disaster-free areas. LGUs in cooperation with concerned national agencies shall identify the suitable or disaster-free areas where increased local growth shall be promoted in lieu of existing hazard-prone areas that are occupied. These areas shall be provided with the basic and key infrastructure and facilities to enable the areas to accommodate increased economic activities. These areas shall be integrated in the local land use and development plans of LGUs.

Provide resettlement and future housing sites. In the long term, high-risk disaster-prone areas must be cleared of settlements. Thus, this early, resettlement sites as well as future sites for housing located in disaster-free areas must be identified and acquired to prevent speculation. Government (national and local) can also link up with the private sector to provide the land or

increase the supply of land available for affordable housing development.

Partner with stakeholders in the management of geo-hazard areas. Cooperation shall be forged among all stakeholders — the community, civil society, service providers, LGUs, and national government — to come up with joint management plans for hazard-prone areas (e.g. disaster risk management and contingency plans). Common and complementary policies and activities shall be identified to prevent the occurrence of disasters or minimize damage to properties and loss of life in case of disasters. A valuable and necessary complement to promoting and strengthening the

partnership with stakeholders is increasing awareness on the values of disaster preparation and co-managing hazard-prone areas. Only when all stakeholders are aware of their duties and responsibilities and the long-term benefits of disaster preparedness can the partnership be effective and sustainable.

Legislative Agenda

To complement and support the ratio the strategies, the following legislative action will be sought of Department of Housing and Urban Development

LEGISLATIVE AGENDA	RATIONALE
Creation of Department of Housing and Urban Development	To integrate all housing and urban development policies, plans, programs, and projects. This department will be the sole planning and policy-making, regulatory, program coordination, and performance-monitoring entity of the National Shelter Program.
Passage of the National Land Use Act (NaLUA)	To establish a national land use framework that will define the indicative priorities for land utilization and allocation across residential, infrastructure, agricultural, and protective uses, and integrate efforts, monitor developments related to land use, and evolve policies, regulations and directions of land use planning processes.
Creation of Local Housing Boards in every city/ municipalities	To strengthen the roles of the LGUs in the provision of shelter to households through the mandatory establishment of local housing boards in every city and municipality.
Evacuation Center Act	To establish permanent and typhoon-resilient evacuation centers with the necessary facilities to avoid the practice of using classrooms as evacuation centers during calamities. Centers should also have PWD-friendly, elderly-friendly, and women-child friendly spaces. The RDRRMC will be in charge of identifying which municipalities and cities will be given priority.

Figure 12.2 Legislative Agenda to Build Safe and Secure Communities, 2017-2022

PART IV INCREASING GROWTH POTENTIAL ("PATULOY NA PAG-UNLAD")



Chapter 13

Reaching for the Demographic Dividend

A population structure with a large working-age population (those aged 15-64) is a preferred situation in the pursuit of development. This situation implies a larger number of people of the working age supporting a smaller number of the young and old-age "dependents". The large workforce can generate increasingly higher production and income for the region and its population. A country or region which has reached this position is said to have made the so-called "demographic transition", which provides a window of opportunity for higher economic growth to take place - the "demographic dividend"¹. Optimizing the demographic dividend is one of the key strategies in the Regional Development Plan (RDP) to raise the economy's potential growth.

Reaping the Demographic Dividend

Government plays a vital role in guaranteeing the creation of the demographic dividend. Unfortunately for the Philippines and Central Visayas, efforts towards creating the right kind of policy environment to accelerate the demographic transition have not been sustained. Hence, the region as with the country as a whole is still in the first phase of demographic transition characterized by a yet large proportion of the population belonging to the 0-14 year age bracket and a large dependency burden. Figure 13.1 shows the distribution of population in Central Visayas by age group and sex in 2000 and 2010. The shift to the second phase, characterized by a bigger proportion of the population composed of the working age with a smaller dependent population, is contingent on how the region manages

population growth. A business-as-usual stance will take the region until at least 2050 to begin to benefit from the demographic dividend. On the other hand, a sound population program such as the Responsible Parenthood and Reproductive Health (RPRH) Law coupled with adequate investment on the youth's development will enable the region to reap the demographic dividend starting possibly in the 2030s through the 2040s.

Assessment and Challenges

Factors such as population growth and distribution, health, education, employment, and finances affect the prospects for reaping the demographic dividend. The region faces a number of challenges in these areas that need to be addressed.

¹ National Economic and Development Authority, *Philippine Development Plan 2017-2022*, 13-1.

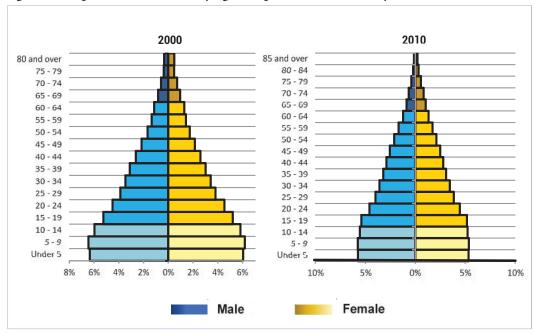


Figure 13.1 Population Distribution by Age Group and Sex: Central Visayas, 2000 and 2010

Source of basic data: Philippine Statistics Authority, Census of Population and Housing 2000 and 2010

The regional population continues to increase and is unevenly distributed across provinces. Central Visayas is the fifth most populous region in the Philippines. The 2015 Census records the population of the region to be 7,396,898, which is about 7.3 percent of the country's total. While the pace of growth is slowing down, from an annual average of 1.77 percent in 2000-2010 to 1.70 percent in 2010-2015, the region's growth rate is still the sixth fastest in the country and is slightly higher than the national average of 1.72 percent. If the current rate of growth persists, the region's population is expected to double in about 40 years or by year 2057.

The population of Central Visayas is distributed unevenly among the region's provinces. Cebu accounted for more than 63 percent (4,632,359) of the region's total population in 2015 while the remaining 37 percent was distributed among the three other provinces of the region. In addition, of the 4.6 million people in Cebu, 62 percent reside within the Metro Cebu area. Between 2010 and 2015, the population of Metro Cebu grew by 2.23 percent, while that outside of Metro Cebu grew by only 1.99 percent. The young continues to dominate the region's population age structure. The region has a relatively young population with 43.6 percent of the population below 20 years old in 2010 (*see Figure 13.1*). A young population is largely the result of large families or high fertility rate. Having a young population means a continuing increase in population due to the large groups of young women who will later enter the childbearing years and contribute to the fertility level. This also explains the large number of young dependents. In 2010, there were about 62 dependents (53 young and 9 old) for every 100 working-age persons in the region.

Figure 13.2 shows the population pyramids of the provinces in Central Visayas in 2010. In general, all four pyramids (with their broad bases and slim tops) depict a relatively young population. Siquijor had the youngest population with a median age of 22.7 years, while Bohol had the oldest population with median age of 23.7 years. Cebu had the largest proportion of the working-age population (62.8%), which is not surprising considering that most economic opportunities are

concentrated in the province. Cebu also accounts for the smallest share of the elderly population (aged 65 years and over). In contrast, Siquijor had the largest proportion of the elderly (9.4%) due partly to outmigration of the working-age population and to its status as a favored destination of retirees. **Fertility is on a decline albeit slow.** The total fertility rate (TFR) of the region declined slightly from 3.7 children per woman in 1998 to 3.2 in 2013.² The 2013 TFR is higher than the national TFR of 3.0 children per woman.³ Given that the region had the same TFR as that of the country as a whole in 1998 but ended with a higher TFR in

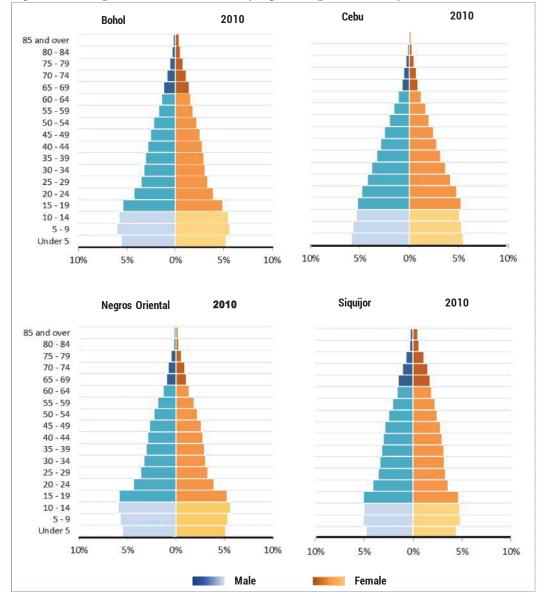


Figure 13.2 Population Distribution by Age Group, Sex, and by Province: 2010

Source: Philippine Statistics Authority, Census of Population and Housing, 2010

² Philippines Statistics Authority, National Demographic and Health Survey, 1998 and 2013.

³ Total Fertility Rate (TFR) is the total number of births a woman would have by the end of her childbearing period.

⁴ Dennis S. Mapa et. al., "Is Income Growth Enough to Reduce Total Fertility Rate in the Philippies? Emperical evidence from Regional Panel Data, " *UPSS Working Paper No. 2012-06*:5.

2013 indicates a slow pace of fertility decline in Central Visayas. Notably, the region's TFR is also one child above the replacement fertility rate of 2.1 children which is considered as that rate where demographic dividend is created.⁴

The decline in fertility, albeit slow, has changed the age structure of the regional population. *Figure 13.1* shows a narrowing of the proportion of male and female children under 15 years of age from 2000 to 2010. Where this (younger) age group constituted 37 percent of the total population of the region in 2000, its share contracted to 33 percent in 2010. While an increasing share of the productive or working age group (15-64 years old), from 58 percent in 2000 to 62 percent in 2010, was recorded. The elderly group (65 years old and over) also saw its share of the total regional population slightly increasing to 5.3 percent in 2010 from 5.0 percent in 2000 as more of the population lived longer.

Teenage fertility rose sharply in the past decade. The 2013 Young Adult Fertility and Sexuality Survey (YAFSS) shows an upsurge in teenage fertility in the region in the past 10 years (*see Figure 13.3*). About 11.2 percent of females aged 15-19 in the region were already mothers in

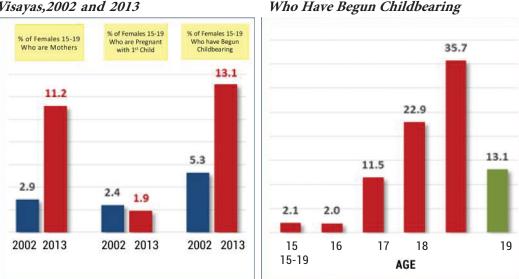
2013, up from just 2.9 percent a decade ago. In addition, 13.1 percent of the females aged 15-19 have begun childbearing, up from a low of 5.3 percent in 2002. While teen fertility is increasing in the region, it is still, however, below the national level of 13.6 percent.

In 2013, the percentage of teenagers who have begun childbearing is noted to increase with age, from 2.1 percent among those age 15 years to 35.7 percent among those age 19 years (*see Figure 13.4*). The increase was much more pronounced in the last 10 years. Starting at age 17, the proportion of teenagers who have begun childbearing rose dramatically, doubling at age 18 and rising by more than 50 percent at age 19.

Women in Central Visayas have more children than they wanted. Unwanted births are defined by the National Demographic and Health Studies as those that exceed the number considered as the ideal family size by women. The total wanted fertility rate (TWFR) represents the level of fertility that theoretically would result if all unwanted births were prevented. A comparison of the TFR with the total wanted fertility indicates the unwanted births. In 2013,

Figure 13.4 Percent of Female Teenagers





Source: 2013 Young Adult Fertility and Sexuality Study Source: 2013 Young Adult Fertility and Sexuality Study

the region's TWFR is 2.2 children, lower than the actual TFR of 3.2 children per woman. This implies that if all unwanted births are avoided, the TFR of the region would drop to 2.2 children per woman, which is close to the "replacement fertility" level of 2.1 children.

Disparities in health and nutrition outcomes across provinces and among segments of the regional population remain. While there had been marked improvements in the general health conditions of Central Visayans as indicated by increasing life expectancy rates and lower infant and child mortality rates, inequities remain across provinces and cities. In terms of life expectancy rates and maternal mortality rates, the provinces of Siquijor and Negros Oriental continue to lag behind Bohol and Cebu (*see Table 13.1*). In the area of infant and child health, the provinces of Cebu and Siquijor have significantly lower infant and under five mortality rates compared to Bohol and Negros Oriental, suggesting that the former two provinces were more effective in implementing programs for addressing the most common causes of death among infant and children (*see Table 13.2*).

On the nutritional status of children, while a high prevalence of stunting, which denotes the prevalence of malnutrition, appears to be a common issue in all provinces in Central Visayas, data from the National Nutrition Council suggest that malnutrition is particularly more serious in the Cities of Bais and Guihulngan in Negros Oriental. Prevalence of underweight, wasted, and stunted children is higher in Bais and Guihulngan compared to other cities in the region. The high prevalence of stunting and other forms of undernutrition is cause for concern because it impacts on the quality of the region's future workers. Such conditions which are associated with diminished mental ability and learning capacity as well as increased risks of nutrition-related chronic diseases affect the ability of an individual to be productive.

Table 13.1 Life Expectancy at Birth by Gender and by Province, 2010 - 2015

DDOV/INCE	MALE		FEMALE			
PROVINCE	2010-2015	2005-2010	2000-2005	2010-2015	2005-2010	2000-2005
Bohol	68.28	66.78	65.28	73.73	72.53	71.03
Cebu	70.39	69.19	67.99	75.78	74.58	73.38
Negros Oriental	66.50	65.00	63.00	71.72	69.72	63.00
Siquijor	65.93	63.93	61.63	70.75	68.75	66.45

Note: 2000 Census-based National, Regional, and Provincial Projections Source: Philippine Statistics Authority

Table 13.2 Infant and Under Five Mortality Rates, By Province, 2016

PROVINCE	INFANT MORTALITY RATE	UNDER FIVE MORTALITY RATE
	(Per 1,000 Live Births)	(Per 10,000 Live Births)
Bohol	9.99	11.08
Cebu	0.52	0.89
Negros Oriental	10.09	13.83
Siquijor	1.93	6.76

Source: Department of Health, partial data

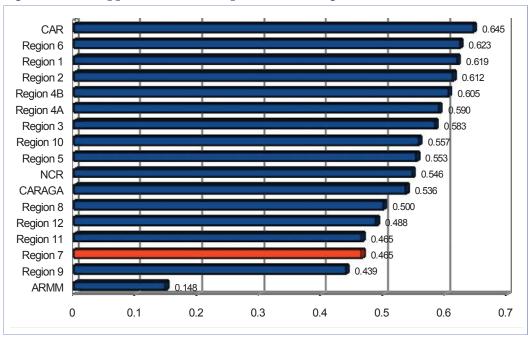


Figure 13.5 Philippine Youth Development Index Regional Scores, 2014

Source: Philippine Youth Development Index Report 2014

There is slow development of the region's youth based on a low Youth Development Index. The young people are a country's major human resource for development. They have the potential to further drive the growth of the economy if nurtured well. Harnessing their potential to become active agents of development entails building their capacities to participate in the development process by providing them access to quality health, education, training, and employment opportunities.

The 2014 Philippine Youth Development Index (PYDI) Report shows that Central Visayas ranked near the bottom in terms of overall youth development (*see Figure 13.5*). Youth development, as measured by PYDI, refers to the expansion of opportunities and choices for the youth towards a successful transition into adulthood. It assesses the situation of Filipino youth in four dimensions, namely: education, employment, health, and participation in politics and society. With a PYDI of 0.465 in 2014, the third lowest among the regions in the country,

the level of development of the region's youth is considered low.

Strategic Framework

Demographic dividend, while essential to economic growth, does not occur spontaneously. It needs to be planned. And government with its policy making powers plays a vital role in creating the right kind of environment to guarantee the creation of this demographic dividend.

To hasten the demographic transition and reap the demographic dividend, it is essential that mortality and fertility rates are brought down as rapidly as possible. It is also important that the adults are employed so they will be productive citizens and not mere dependents. Through proactive government policies especially in the areas of health services, reproductive health, education, and employment services, the desired outcomes could be accelerated.



Figure 13.6 Strategic Framework to Maximize the Demographic Dividend

Targets

Table 13.3 shows the indicators and targets for the plan period 2017-2022 to maximize the demographic dividend.

Table 13.3 Plan Targets to Maximize the Demo	ographic Dividend
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INDICATORS	BASELINE	END OF PLAN TARGET 2022
Accelerate demographic transition		
Total Fertility Rate	3.2*	2.1
Proportion of adolescents who have begun childbearing	13.1*	
Contraceptive prevalence rate for modern FP	34.0*	52
Maximize gains from the demographic dividend		
Maternal mortality rate per 100,000 live births	62.1	53.5
Under-five Mortality Rate per 1,000 live births	6.4	9.6
* Baseline is 2013		

Strategies

Reduction of Mortality Rates

Lowering the mortality rates among infants, young children, and women will be given particular attention in the RDP. This will be achieved through the implementation of a sustained universal health care program. Unserved/underserved areas will also be given priority in the provision of health facilities and in the assignment of human resource for health. Since the local government units play a major role in the provision of health services especially at the local level, their capability in the area will also be strengthened. Chapter 10 provides detailed discussion on other proposed strategies to reduce mortality rates.

Reduction of Fertility Rates

Central Visayas will work for the sustained implementation of the population management and reproductive health policies and programs in the region as a major strategy to lower fertility levels. Couples and individuals will be assisted to gain access to information and services that will help them achieve their desired family size within the context of responsible parenthood and informed choice.

Address teenage pregnancy. In response to the growing challenges of teenage pregnancy, the national government will partner with the local government units as well as stakeholders in establishing teen centers and in implementing responsive programs and services for the youth. Teenage pregnancy has a social implication since it decreases opportunities for the youth to become socially and economically productive individuals. The teen centers will be the hub for services from both the national government and the LGUs geared towards educating and empowering the young people with knowledge and skills to exercise responsible teen sexuality, avoid early sexual encounters, and prevent teenage pregnancy, Sexually Transmitted Infections (STI), Human Immunodeficiency Virus (HIV) and Acquired Immune Deficiency Syndrome (AIDs). Free counseling and health services provision and referrals will be one of the key features of the teen centers.

Address unmet need for family planning services. Various studies show that the burden of unmet family planning services is greater in certain areas, sectors, and groups of people, i.e., rural areas, poor households, female teenagers. A strategy that will focus interventions in selected high burden areas will allow agencies to maximize gains in the implementation of the Responsible Parenthood and Reproductive Health (RPRH) Law without dissipating limited resources.

Improvement of Quality of Human Capital

Optimizing the increasing labor force for more productive economic output requires a quality human resource. Human capital development will be accelerated through improved provision of quality health and education services and training, and full, productive and decent employment. (*See Chapter 10*).

Improve health outcomes. The region will increase investments in health facilities, giving priority to underserved and unserved areas in the construction of day-care centers, health centers, hospitals, and water and sanitation facilities.

The high level of unmet needs for various RPRH services also indicate that current programs are unable to reach all the intended beneficiaries. One reason may be that most RPRH services are still delivered mainly through the public sector which is constrained by lack of manpower and supply shortages. The national and local governments will be assisted in partnering with private providers and civil society organizations to expand its reach in the delivery of health services.

Improve education processes and outcomes. The significance of education in reducing fertility is well documented. Higher education accompanied by increased income is perhaps the most reliable way of managing the region's population. Increased investment in education facilities will be a major strategy to improve education outcomes as well as the quality of the labor force. Existing manpower resources will also be augmented to support the full implementation of the K-12 program. The government will likewise fast-track the hiring/ deployment of teachers in schools that do not or barely meet the standard teacher-pupil ratio.

Reduction of Unemployment Especially Among Youth and Women

Create jobs and economic opportunities. Job creation in the industrial, agricultural, and service sectors will be facilitated by the government. Policies and strategies that will increase the capacity of the youth and women to participate in the labor market will also be implemented. The region will ensure that its labor force including the prospective ones will have access to education and training that will enable them to qualify in jobs that provide full, decent and productive employment.

Strengthened Integration of Population and Development

To ensure that demographic dynamics particularly those related to the demographic dividend are considered in sustainable economic and other development initiatives, the integration of population factors in all development initiatives will be promoted. **Establish sub-national population and development data for planning and program formulation.** Regional and subregional demographic data needed for planning and formulating appropriate interventions at the local level to optimize the demographic dividend will be strengthened. The use of population data will be promoted particularly in planning interventions in health, education, employment, infrastructure, and economic development.

Develop a performance monitoring mechanism for RPRH implementation. The performance monitoring mechanism will describe what indicators will be used as performance measures, how these indicators will be measured, how often these would be collected, and how these will be analyzed and reported. The development of the performance monitoring mechanism will help guide implementers on what adjustments can be made to improve implementation as well as guide oversight mechanisms to ensure that RPRH implementation is on track.

Legislative Agenda

Table 13.4 presents the legislative actions needed to support the effective implementation of the strategies.

LEGISLATIVE AGENDA	RATIONALE
Local Population Development Act	This will provide for the establishment and operation of population offices to ensure the effective implementation of population management strategies and measures at the local level.
Strengthening of the National Population and Development Policy	A comprehensive policy for population and development will address the fragmentation of government efforts and initiatives for population and development. It will ensure that population and development is mainstreamed.

 Table 13.4 Legislative Agenda to Maximize the Demographic Dividend, 2017-2022



Chapter 14

Vigorously Advancing Science, Technology, and Innovation

Science, Technology, and Innovation (STI) is crucial for fostering social progress and a vibrant economy. It is also a key for promoting sustainable development.

Access to advanced and appropriate STIs promote steady, improved well-being, reduce susceptibility of the vulnerable sectors to shocks, and drive productivity gains which ensure stable and rising incomes. The adoption of STI leads to achievement of significant economic growth as new processes, products and services are developed and deployed. These innovations can address the long standing needs especially of those in the disadvantaged sectors in several strategic areas including health, education, energy, disaster resiliency, and climate change adaptation.

For STI to effectively flourish and significantly contribute to socio-economic development, the government and private sectors should pursue a well-functioning STI ecosystem. This requires ensuring stable policies, well-functioning institutions, educated manpower, sound research and education infrastructure and strong linkages between public and private innovation actors, strong commitment to research and development and balanced intellectual property rights (IPRs) framework.

The development of an effective STI ecosystem is a long-term process. The Philippine Development Plan 2017-2022 recognizes that pursuing and advancing STI require long-term investment and long gestation period before desired capabilities and capacities are attained.

Assessment and Challenges

The level of STI capability in the region is low due in part to low investments in Research and Development (R&D) as well as investments in human capital, and weak linkages in the STI ecosystem. In the region, this is reflected through reliance on import and less diversification of local products. Use of STI in agriculture and in industry remains low as reflected in low productivity and output in the sector (*see Chapters 8 and 9*). The following are the factors behind the weak performance of the STI sector:

Weak STI culture and linkages. The RDC prepared the Central Visayas Regional Development Research Agenda (CV-RDRA) 2009-2015 to maximize the contributions of the region's R&D manpower to support the implementation and realization of the development goals of the RDP. The agenda was advocated to RDRA member research institutions and higher education institutions (HEIs) to align their respective research priorities with the RDP. The findings of an assessment in 2016 are: most researches congregated on health and social related topics; there is a need to push R&D on other development sectors; RDRA is not that popular yet among the research community and to some extent not used in prioritizing research topics; there is weakness in research utilization even for those that were funded, and accessing researches is difficult; there are only few HEIs capable of producing peer-reviewed quality researches; research outputs are mostly confined in the database systems of HEIs and are not actively marketed for utilization by the industry; and only few HEIs have links with the industry including agriculture sector.

Low government spending on STI. Government spending is crucial in strengthening STI. Investments can be used to upgrade and build new facilities and acquire technology and equipment necessary to address R&D needs.

R&D spending dramatically decreased by half from PhP549 million in 2011 to PhP257 million in 2013 (*see Table 14.1*). There is also huge imbalance on R&D spending between the government and the private sector. Data shows that government R&D spending only accounts for 2.7 percent and 6.1 percent of the total R&D spending in 2011 and 2013, respectively. Decreasing trend is also observed in R&D intensity which is the ratio of R&D expenditures to GRDP (*see Table 14.2*). In 2013, the region posted an R&D intensity of 0.04 percent which is lower than the national average of 0.14 percent. Both figures are way below 1.0 percent benchmark recommended by the United Nations Educational, Scientific, and Cultural Organization (UNESCO). The global average is 2.04 percent.

Government procurement procedures hamper the acquisition of the necessary R&D facilities and equipment. Delay in acquisition of researchrelated materials and equipment reduces research productivity, publication and dissemination, and transition to actual production and market innovations. Moreover, grants on research do not compensate HEIs for the salary of faculty members' research activities. This contributes to lack of motivation of HEIs to encourage their faculties to pursue R&D activities.

Inadequate S&T human resources engaged in STI R&D. Another major contributing factor for technology generation and innovation is the availability of adequate S&T human resources engaged in R&D. As of 2013, there were 2,451 R&D personnel and 1,686 researchers in the region of which the government sector only

YEAR	TOTAL SPENDING	GOVERNMENT	PRIVATE
2011	549,404	14,897	534,507
2013	256,835	15,958	240,877

Table 14.1 Central Visayas R&D Expenditures (in PhP '000)

Source: Department of Science and Technology

Table 14.2 Central Visayas R&D Intensity (in PhP '000)

YEAR	TOTAL SPENDING	GRDP	R&D INTENSITY
2011	549,404	590,909,134	0.09%
2013	256,835	732,977,310	0.04%

Source: Department of Science and Technology

accounted for 16 percent and 22 percent, respectively. This also means that there are 281 researchers for every one million population in the region. This is slightly higher than the national ratio of 270 but falls short from UNESCO standard of 380.

Absence of vibrant intellectual property culture.

Only a few HEIs in the region apply for patents in their research and innovation work. HEIs are not actively engaged in transforming patented portfolios into commercial use. The reason given is that HEIs do not have the staff and the expertise to follow through on patent application and are easily discouraged by the difficult institutional and documentary requirements needed. There is also the 'for compliance only attitude' among researchers which slows down the transition between patent acquisition and actual application and use of the patented technology.

Strategic Framework

STI will contribute in the achievement of the overall PDP goal of establishing the foundation for inclusive growth, a high-trust and resilient society and a globally competitive knowledge economy by increasing the country's potential growth.

To achieve this, the region will embark on promoting and accelerating technology adoption and stimulating innovation.

Increasing STI in the agriculture, industry, and services sectors as well as investments in technology-based start-ups, enterprises and spinoffs will result to the promotion and acceleration of technology adoption.

On the other hand, enhancing the creative capacity for knowledge and technology generation, acquisition and adoption, and strengthening open collaboration among actors in the STI ecosystem will stimulate innovation (*see Figure 14.1*).

Strategies

STI utilization in the agriculture, industry, and services sectors increased

Promote commercialization and utilization of technologies from publicly-funded R&D. Based on the RDRA 2009-2015 assessment, there are already researches that are ready for use. Those that have high potential for commercialization will be given priority assistance. The application of these R&D outputs to the agriculture, industry, and services sectors will be given priority to improve productivity and to increase income and employment opportunities especially in the countryside. The government will also foster the development of networks and markets, and undertake effective marketing strategies for products resulting from new technologies.

Develop a vibrant intellectual property rights (IPR) culture among HEIs. The establishment of an Innovation and Technology Support Office (ITSO) is a major contributing factor in strengthening IPR capability among HEIs. The ITSO can advise the faculty, students, support staff, or any client, who have developed an innovation, or formulated a product on how to protect their intellectual property. It can also provide technical assistance through seminarworkshops on the basics of IPR, and hands-on training on patent search to establish the novelty and patent potential of their R&D findings. Some HEIs can emulate good practices of other HEIs on this regard.

Investments in STI-based start-ups, enterprises and spin-offs increased

Encourage more innovative financing mechanisms. The government will enhance existing financing mechanisms to encourage more clients to avail of these services. The DOST-Grants in Aid Program (DOST-GIA) aims to increase investment in S&T human resource development and R&D. The Niche Centers in the Regions for R&D Program under the DOST-GIA will capacitate R&D

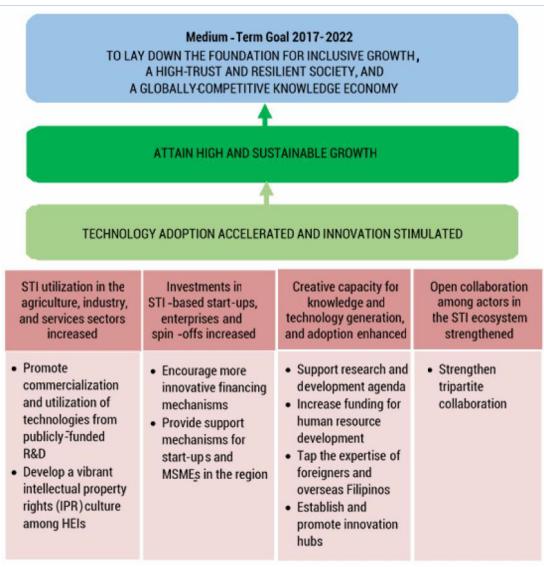


Figure 14.1 Strategic Framework for Vigorously Advancing Science, Technology, Innovation

institutions and enhance industrial competitiveness. The CHED is also offering grants that could stimulate strong collaborative research and innovation ventures and sustainable partnerships for extension activities during the K to 12 transition.

Provide support mechanisms for start-ups and MSMEs in the regions. The government will strengthen the policy and regulatory environment, and introduce new mechanisms to support 'technopreneurs', start-ups, spin-off companies, and MSMEs. Incubation centers funded by government will be enhanced to address current needs for technology commercialization. Expansion of these centers to other strategic areas in the region will be pursued with strong partnership with the private sector to further promote available technologies, and to extend consultancy and other services for productivity improvement. These initiatives are intended to encourage uptake of innovationbased entrepreneurship.

The Small Enterprise Technology Upgrading Program (SETUP) will be expanded to enable more MSMEs to access government assistance for the provision of innovative and cost-effective facilities, provision of technical support for compliance with product and quality standards, packaging and labeling, as well as training and consultancy services.

Creative capacity for knowledge and technology generation, acquisition and adoption enhanced

Support research and development agenda. The RDRA for the term 2017-2022 will be actively promoted to HEIs and research institutions to align their research priorities that will address the needs and research gaps in the RDP. The Regional Development Research Council as the lead advocate of the RDRA will also facilitate the sourcing of technical assistance and funds to those who will be doing R&D on topics identified in the RDRA.

Increase funding for human resource development (HRD). Scholarship grants provided by government will be enhanced to improve and ensure access of worthy and deserving applicants. The government will also enhance its HRD program to address the STI needs of its current workforce and its stakeholders through partnership with local and foreign donors. The established research consortia on health, education and STI in the region, composed of government agencies, HEIs and private sector, can tap into funding and technical assistance from local and foreign donors.

Tap the expertise of foreigners and overseas Filipinos (OFs). Mechanisms will be established to encourage overseas-based experts to share their knowledge and specializations with the academe and industry through ICT, such as elearning. Taking advantage of international expertise will speed up products and process development and build capacity in the field. The *Balik Scientist* Program and other related initiatives will be strengthened. HEIs in the region which are interested in availing of the program will be given assistance.

Establish and promote innovation hubs and other similar mechanisms. Fabrication labs (FabLabs) and other innovation centers in the region will be strengthened and will be expanded to strategic areas in the region. This will promote not only innovation, but design and creativity as well, and will provide support for the creation of incubation centers for MSMEs and start-ups. Coordination and other institutional mechanisms among government agencies, the academe, the private sector, and people's organizations for the necessary investments, training, and other support to the establishment of innovation centers will also be strengthened.

Open collaboration among actors in the STI ecosystem strengthened

Strengthen tri-partite collaboration. Collaboration in R&D based on the triple helix model will be pursued. Under this model, the coordination and cooperation of university, industry, and government will be strengthened. The government will continue to address bottlenecks and barriers preventing effective partnerships such as bureaucratic processes and procedures that discourage firms to invest in R&D and install innovation in their production processes. The chambers of commerce and industry who are members of the RDC can be tapped to become strong partners in providing assistance in marketing and financing for the commercialization and application of potential R&D outputs.

Legislative Agenda

The region will support the following legislative agenda identified in the PDP 2017-2022 that are needed to strengthen the effectiveness of the strategies:

Table 14.3 Legislative Agenda to Leverage Science, Technology, and Innovation, 2017-2022

LEGISLATIVE AGENDA	RATIONALE
An Act Establishing the Science for Change Program	Aims to achieve a higher standard of S&T, by prescribing the basic policy requirements for the promotion of S&T and comprehensively and systematically promoting policies for the progress of S&T.
An Act Adopting Innovation as a Vital Component of the Country's Development Policies to Drive Inclusive Development, Promote the Growth and National Competitiveness of MSMEs, and for other Purposes	Intends to generate and scale up action in all levels and areas of education, training, research and development towards promoting innovation and internationalization activities of MSMEs as a driver of sustainable and inclusive growth.
An Act Strengthening the Balik Scientist Program and Appropriating Funds Thereof	Seeks to strengthen the scientific and technological human resources of the academe, public institutions, and domestic corporations, through the promotion of knowledge sharing and accelerate the flow of new technologies into the country.

PART V ENABLING AND SUPPORTIVE ECONOMIC ENVIRONMENT



Chapter 15

Ensuring Sound Macroeconomic Policy

A macroeconomic environment that encourages new investors to come in, existing businesses to expand, and local economies to grow is a step closer to attaining higher and sustainable economic growth. Government has a responsibility of providing this enabling environment through its dual role as Enabler and Regulator.

This chapter discusses the strategies that will be pushed by the region in the medium term to ensure the maintenance of a sound, stable, and supportive macroeconomic environment.

Assessment and Challenges

Exports of the region will likely remain weak given the subdued growth of its major trading partners. As discussed in Chapter 2, the last two years saw exports of the region slowing down as global trade continued to be weak and many of the region's trading partners such as China remained plagued by problems. The weak export market has likewise affected the region's imports as many of its export products are dependent on imported materials.

Growing trend towards inward-looking policies could slow down growth in some key sectors of the regional economy. Exports and the IT-BPM industry are two of the region's sectors that are feared to be likely to be affected by the inward-looking and protectionist policies of countries. In the case of exports, it can lead to difficulty in expanding access to markets. The US' protectionist agenda has also raised concern on its effect on the IT-BPM industry especially in Cebu since many of the leading players are American companies. A pull-out of these companies can mean the loss of substantial jobs including those that are indirectly connected to the sector. From 1,200 workers when the IT-BPM industry of Cebu first started in 2000, direct employment has grown to 120,000 in 2015, a matter of 15 years.

There persist barriers to full-throttle take off and growth of the micro, small and medium enterprises (MSME). These barriers relate to ease of doing business and access to funding and technical assistance. Despite accomplishments in streamlining procedures, shortening turnaround time, and cutting down on the number of signatures and requirements, MSMEs continue to report difficulties in doing business especially at the local level. Evidently, some local government units were not able to sustain the gains, lost momentum, and backtracked on their achievements due to factors such as loss of interest and lack of support following a change in political leadership.

Access to funding and technical assistance is also hampered by inability and/or unwillingness of MSMEs to comply with all documentation requirements of government assistance programs. A major part of the problem is inability to prepare project proposals and unwillingness to be transparent about their operations. Further, prospective micro-entrepreneurs are not eligible for assistance because they are not organized or do not belong to cooperatives. (*see Chapter 9*)

Region's competitiveness is impeded by inadequate infrastructure. Being a region composed of island provinces, connectivity is critical not only in terms of transportation but also in communication, information technology, and power supply. The lack of ICT infrastructure and systems, and internet capability, for one, are hindering business transactions.

Further fiscal decentralization is constrained by absorptive capacities of local government units and regional line agencies. Local government units and line agencies struggled to fully utilize resources for some priority programs downloaded to the sub-national level, such as those funded under the Bottom-Up Budgeting (BUB). Among the factors that affected utilization of budgetary resources were weaknesses in project design and preparation, procurement difficulties, lack of staff as well as capability of existing personnel especially at the local level to prepare and implement projects, and capacity constraints. Many local government units and agencies in the region are still implementing projects that were identified and approved for funding two years ago. Likewise, very little of the recent budgetary releases have been programmed for implementation resulting to very low disbursement rates.

Most local government units remain dependent on the internal revenue allotment (IRA). To be effective partners in nation building, local government units (LGUs) have been given powers by the Local Government Code to generate local income to fund basic social services. However, after more than 25 years of fiscal decentralization, locally sourced income still constitute a very small portion of the total income of most LGUs in Central Visayas. The bulk of their income comes from national government transfers via the IRA. In the region's provinces, the average net share of local income to total income is a low 14 percent. Only in the highly urbanized cities of Cebu, Lapulapu, and Mandaue is the share of local revenues more than 60 percent of total income. In the municipalities, dependence on IRA is much higher, reaching as much as 96 percent. An exception is Oslob in Cebu and Valencia in Negros Oriental which had low IRA dependencies in 2015 of 46 percent and 45 percent, respectively (see Table 15.1).

RANK	CITY/MUNICIPALITY	PROVINCE	DEPENDENCE ON LOCAL INCOME
1	Cebu City	Cebu	64%
2	Lapu-Lapu City	Cebu	62%
3	Mandaue City	Cebu	60%
4	Valencia	Negros Oriental	55%
5	Oslob	Cebu	54%
6	Loboc	Bohol	48%
7	Tagbilaran City	Bohol	47%
8	Panglao	Bohol	47%
9	Dumaguete City	Negros Oriental	45%
10	Toledo City	Cebu	45%

Table 15.1 Top 10 Cities and Municipalities in Generating Locally Sourced Revenues: Central Visayas

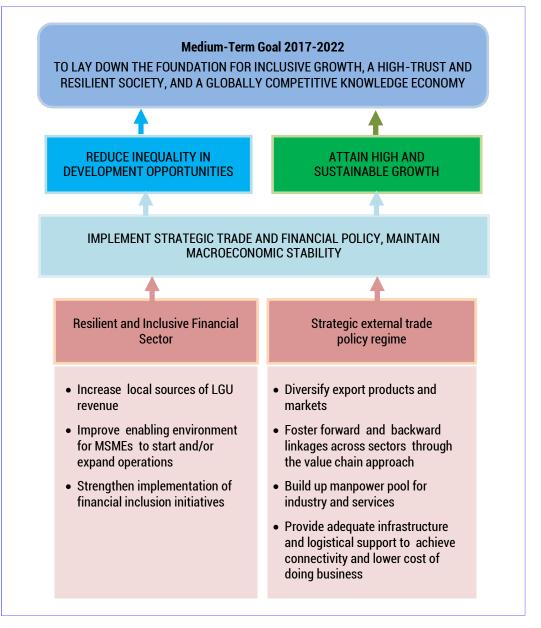
Source: Bureau of Local Government Finance (BLGF)

Strategic Framework

Strategies

A strategic trade and financial policy along with macroeconomic stability will support the goals of reducing inequality and increasing potential economic growth. Two outcomes are expected: a resilient and inclusive financial sector, and a strategic external trade policy regime. The strategies fall under the two major pillars of reducing inequality in development opportunities, and increasing growth potential.

Figure 15.1 Strategic Framework to Sustain a Sound, Stable and Supportive Macroeconomic Environment, 2017-2022



Resilient and Inclusive Financial Sector

Increase local sources of LGU revenue. LGUs

need to maximize their revenue raising powers granted to them by the Local Government Code (LGC). Among the measures available to LGUs to increase their income from local sources are: a) updating of Schedule of Market Values (SMV); b) conduct of general revision of property assessments and classification; c) intensification of collection of real property tax; d) updating of revenue code; e) improvement of own-revenue collections; and f) adoption of modern technology (computerization) to facilitate monitoring and evaluation.

Revenues from real property tax (RPT) alone if fully enforced and properly administered can be a stable source of income to sustain an LGU's delivery of basic services such as health and education. Under the LGC, the RPT is to be based on a schedule of market values that is fair, current, and updated. Provinces and cities are required to update their SMVs and to revise property assessments every three years.

The national government should continuously monitor and provide technical assistance to LGUs to improve local revenue collection and resource management as well as accountability and transparency. Among the measures to be implemented are: (a) conduct of more capability building trainings, (b) harmonization of public financial management (PFM) tools at the local levels, (c) implementation of standardized reporting tools and metrics, and (d) enjoining LGUs to comply with LGC requirement concerning local revenue base. Focus should be given to rural areas and local governments with high poverty incidence. Civil society's participation will also be strengthened; after all, community development is a function of the whole community.

Improve enabling environment for MSMEs to start and/or expand operations. These include: a) ease of business registration; b) access to funding and technical assistance; c) access to market; and d) increasing their productivity, competitiveness, creativeness, and innovation (*see Chapters 9 and 14*).

Microfinance assistance will be expanded to include: business plan preparation; plugging in individual entrepreneurs to cooperatives; and organizing MSMEs into accreditable groups that can access to funds.

Informal economy players will also be encouraged to register into the formal economy through advocacy on the benefits of such. In addition, the simplification of reporting especially tax requirements and documentation will be vigorously pursued.

Strengthen the implementation of financial inclusion initiatives in the region. These include various economic and financial literacy activities that will encourage more Filipinos in the regions to participate in economic governance.

Strategic External Trade Policy Regime

Diversify export products and markets. To mitigate the impact of protectionist tendencies of trading countries, Central Visayas will intensify the diversification of export products and markets. For the IT-BPM industry, the region targets scaling up to non-voice and higher value services such as KPO service which shall account for an increasing share of the region's outsourcing industry. Since many of the players in the KPO field are Europeans, this will be an opportunity for the region to partner with other countries in Europe and expand its presence in the higher paying KPO industry. Central Visayas can have an advantage in KPO in the country because of its scientific and technical-educated human resource coming from Visayas and Mindanao.

The region will also build eligibility for Halalbranding of region-made products in order to access to the ASEAN market. Foster forward and back linkages across sectors through the value chain approach. Exporters from the region will be assisted to connect with multinational corporations and suppliers through business matching, trade fairs, and networking initiatives. MSMEs will also be supported to take part in the ASEAN and Northeast Asian SME production networks and global value chains as either supplier or service provider (*see Chapter 9*).

Build-up manpower pool for industry and

services. The academe-industry-government linkage will be utilized to develop human resources for industry and services. Continued training for the skills needed for higher value services will be prioritized in order for the region to diversify exports.

Provide adequate infrastructure and logistical support to achieve connectivity and lower the cost of delivery. The region will build on the progress of the public-private partnership (PPP) initiatives in funding infrastructure projects. PPP funding arrangements will be facilitated for the following priority infrastructure projects of the region: ports, airports, highways, electricity grid, telecommunications, water supply, and social infrastructure (*see Chapter 19*).

Legislative Agenda

Table 15.2 outlines the legislative action needed to strengthen the effectiveness of the strategies.

Table 15.2 Legislative Agenda to Sustain a Sound, Stable and SupportiveMacroeconomic Environment, 2017-2022

LEGISLATIVE AGENDA	RATIONALE	
Fiscal Sector		
Amendment of the Local Government Code (LGC) of 1991	Review the fiscal provisions of the 1991 LGC to consider amendments on tax assignments and revenue mandates	
Review of Current Regulations	Review current regulations on utilization of national transfers, local fiscal incentives, subnational borrowing for their relevance	
LGU Income Classification Bill	Bill to authorize the Secretary of Finance to set income brackets and to regularly reclassify local governments every 3 years	
External Trade Sector		
Proposed Streamlining of Export and Import Procedures	To facilitate/ expedite export and import of goods and services	



Chapter 16

Levelling the Playing Field Through a National Competition Policy

Inclusive economic development requires an environment where entrepreneurs and firms are free and unhindered to enter the market to produce goods and services. Consumers benefit when there are more producers, and are negatively affected when the market is controlled by one or by the collusion of a few producers. The economy works best, both for producers and consumers, when government implement policies that 'level' the playing field.

In recent years, the Philippine government has implemented initiatives to improve competition through its economic reform programs. Market mechanisms were introduced and a shift from a protectionist stance to a more open economy was pursued through liberalization, deregulation, and privatization. It addressed trade barriers, barriers to entry of new firms, and market failures. But a level playing field cannot be achieved by free interaction of market forces alone, some form of government regulation is required, and current regulations need to be harmonized.

In 2015, the Philippine Competition Commission (PCC) was established through Republic Act (RA) 10667 known as the Philippine Competition Act. The PCC is mandated to protect and promote free and fair competition in the Philippine market. The PCC is tasked, in cooperation with the National Economic and Development Authority (NEDA), to formulate a National Competition Policy (NCP). The NCP will guide the country's initiatives to level the playing field for firms, and ensure that consumers are protected from colluding businesses, and benefit from competition through lower prices, high quality goods and services, and wider variety of choices.

This chapter describes the current state as well as the strategies and programs to be implemented to improve competition among key economic players in the region.

Assessment and Challenges

Borrowing from the Philippine Development Plan (PDP), the following paragraphs provide a general assessment of the current state of competition among industries in the country and identify the challenges that need to be addressed. These issues and challenges confront and are relevant to the regions and therefore need to be addressed at the regional level as well. Despite the passage of the Philippine Competition Act, other laws and issuances hinder competition. There are a number of government agencies with legislative charters that have dual regulatory and proprietary functions. Examples are the Philippine Coconut Administration (PCA) and Philippine Ports Authority (PPA). The lack of separation between the dual functions of these agencies may result in conflicts of interest and may have unintended negative impact on market outcomes.

Fragmented government regulatory functions also pose threats to competition. Often, regulatory agencies with related or similar functions over certain commodities operate in silos. This situation is aggravated by the decentralization of many regulatory functions to local government units by virtue of RA 7160, also known as the Local Government Code of 1991.

The country's competition environment remains weak. The country has started laying the groundwork for promoting competition and achieved the following accomplishments under the Philippine Development Plan 2011-2016: a) creation of the Office for Competition (OFC) in 2011 under the Department of Justice (DOJ); b) enactment of the Philippine Competition Act in 2015; c) modernization of the Tariff and Customs Administration in 2016; d) allowing the full entry of foreign banks in the Philippines in 2014; and e) amendment of the Cabotage Law.

Government actions, while addressing important social objectives, potentially create market distortions by limiting the entry and expansion of current players and by protecting vested interests. These actions include: a) government-owned monopolies; b) government-authorized private monopolies; c) government control of entry and expansion of market players; and d) government provision of goods and services similar to those provided by private entities. The existence of government-owned monopolies may be justified by the absence of private firms that could provide the necessary goods and services. However, if potential private providers are willing to enter the market, government action that precludes entry may be difficult to justify.

There are laws and regulations that potentially render undue disadvantage to some firms within the same sector. These undue disadvantages include incentives to enterprises located in special zones to attract foreign investment, differential tax treatments between renewable and non-renewable sources of energy, and a wedge in taxation between domestic and foreign shipping vessels. Also, a few government regulations could inadvertently facilitate collusion among competing firms.

Geographic fragmentation can create natural barriers to competition, limiting the entry of players or allowing the creation of artificial markets. In the cement industry, transport cost represents a significant share of delivered cost from producer to market. Likewise, the absence of interconnection of the power grids of Luzon and Visayas with Mindanao precludes the shifting of supply to high demand areas and potentially lowering the cost of power.

Strategic Framework

At the national level, the NCP needs to be formulated and implemented to address two societal goals: reducing inequality and increasing potential growth. Competition will create a level playing field for MSMEs by removing barriers to entry and reducing costs so that they can actively participate in the market. It will likewise facilitate innovation and promote efficiency, thereby expanding economic opportunities and promoting economic growth. This will be done through: a) diminishing anti-competitive practices; b) reducing barriers to entry; and c) reducing limits to entrepreneurship to allow micro, small and medium enterprises to thrive.

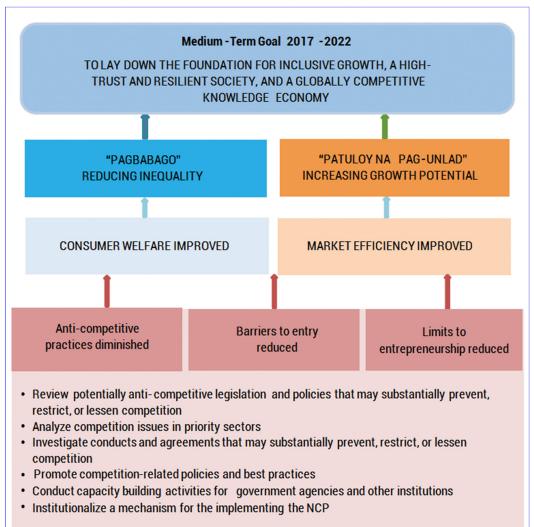


Figure 16.1 Strategic Framework for Levelling the Playing Field, 2017-2022

Targets

In levelling the playing field, the NCP aims to improve market efficiency and consumer welfare. The target will rely on the Global Competitiveness Index (GCI) ranking of the Philippines. From the country's ranking in 2016 at the top 40 among the 138 economies assessed, the midterm (2019) target is to be in the top third (33 percent), and an end of plan target of within the top 25 percent of all economies.

Strategies

To achieve the outcomes and the corresponding targets, the Regional Development Plan (RDP) adopts the strategies outlined in the PDP. A regional dimension or perspective is however added.

Review potentially anti-competitive legislation and policies that may substantially prevent, restrict, or lessen competition. The Regional Development Council (RDC) shall examine anti-competitive policies/ issuances and determine if they still fulfill their intended objectives. The RDC Secretariat

INDICATOR	E	END OF PLAN	
INDICATOR	YEAR	VALUE	TARGET
Consumer welfare and market efficiency improved	I		
Global Competitiveness Index (GCI) ¹ ranking improved	2016	Top 40%	Top 25%
Anti-competitive practices diminished, barriers to	entry and lim	its to entrepreneurship	reduced
Business dynanism improved ²	2016	Top 60%	Top 40%
Product market efficiency improved ³	2016	Тор 70%	Тор 50%
Market size expanded ⁴	2016	Top 22%	Top 20%
Product Market Regulation (PMR) improved ⁵	2016	To be determined	To be determined
Regulatory compliance costs incurred by firms reduced	2017 ⁶	To be determined	To be determined

Table 16.1 Plan Targets to Level the Playing Field, 2017-2022

and other capable institutions shall be commissioned to do a study and recommend appropriate policy actions and amendments.

The national government shall cascade to the regions and/or local government units (LGUs) the Project Repeal which is directed at repealing unnecessary regulations. LGUs shall be guided in amending current legislations that promotes barriers to entry of MSMEs in their localities. The

RDC shall likewise recommend to the national government which legislations at the local level and regulations enforced by line agencies require changing.

Analyze competition issues in priority sectors. With the assistance of the RDC, concerned line agencies shall assist and work together with provincial/local governments to conduct studies on competition issues in their respective priority sectors.

¹ The GCI assesses the competitiveness of 138 economies based on: a)enabling environment; b) human capital; c) markets; and d) innovation ecosystem.

² GCI business dynamism captures the entrepreneurial spirit and the ways businesses respond to opportunities. It measures the following: a) cost required to start a business; b) time required to start a business; c) cost of bankruptcy proceedings; d) strength of insolvency framework; e) attitudes toward entrepreneurial risk; f) growth of innovative companies; and g) willingness to delegate authority.

³ GCI product market efficiency measures the following: a) extent of market dominance; b)effectiveness of antitrust policy; c) competition on professional services; d) competition on retail services; e) competition in network services; f) prevalence of non-tariff barriers; g) trade tariffs; h) complexity of tariffs; i) burden of customs procedures; j) service trade restrictiveness; k) total non-labor tax rate; and l) distortive effect on competition of taxes and subsidies.

⁴ In the GCI, market size captures the following: a) real market potential; b) cost required to start a business; c) time required to start a business; d) cost of bankruptcy proceedings; e) strength of insolvency framework; f) attitudes toward entrepreneurial risk; g) growth of innovative companies; and h) willingness to delegate authority.

⁵ The Philippines' PMR indicators is an output of a partnership between the World Bank Group and the OECD to extend the initial OECD PMR data set to a number of developing economies and merging markets. PMR indicators are based on a qualitive analysis of the regulatory framework both economy-wide and in key sectors of the economy. Final PMR values for the Philippines will be aavailable in 2017.

⁶ The DTI-NCC is developing a model for computing the regulatory compliance cost incurred by firms.

Investigate conduct and agreements that may substantially prevent, restrict, or lessen competition. The RDC and concerned line agencies shall work with the PCC to investigate potentially anti-competitive behavior of firms in the region.

Promote competition-related policies and best practices. The RDC in cooperation with the PCC shall conduct activities that promote awareness building of competition-related policies and best practices in the region.

Conduct capacity-building activities for government agencies and other institutions. The RDC shall take the lead in improving the institutional and technical capacity of government units under the Executive, Legislative and Judicial departments that are mandated to promote market competition in the region. The RDC, through the Regional Development Research Committee (RDRC), shall also collaborate with academic and research institutions in strengthening programs on competition law and economics.

Institutionalize a mechanism for implementing the NCP. The RDC shall take the lead in implementing and institutionalizing the NCP in the region. The NCP, which will provide guidelines for government agencies that issue rules and regulations that hamper competition, will guide the RDC in monitoring the status of competition in the region as well as the compliance of the regulating entities such as LGUs and RLAs and the business community.

Legislative Agenda

Table 16.2 presents the legislative agenda to be pursued at the national level which is deemed to benefit the region as well.

0 0	
LEGISLATIVE AGENDA	RATIONALE
Amended Public Service Act	Ease or lift restriction on foreign investments in certain industries by amending or repealing provisions that limit foreign participation in certain economic activities. Subsequently, this will amend the Foreign Investment Negative List to encourage foreign direct investments (FDI). Higher FDI boosts economic growth, fosters more competition, facilitates technology transfer, generates more jobs, and provides wider choices for consumers. (<i>See</i> <i>also Chapter 9</i>).
Regulatory Management System Act	The government will push for the passage of a law on regulatory management system to establish a more competitive and coherent regulatory environment. A central body will be created to ensure that there is an evidence-based approach to formulating laws, rules and regulations.

Table 16.2 Legislative Agenda for Levelling the Playing Field

PART VI FOUNDATIONS FOR Sustainable Development



Chapter 17

Attaining Just and Lasting Peace

The maintenance of peace and security is essential for Central Visayas to attain inclusive development for its constituents. In line with this, the region shall continue to enhance the peace and order situation, which is required for the effective delivery of public services as well as the attainment of economic growth and progress.

Assessment and Challenges

In the aspect of internal security, Central Visayas has been declared as "conflict-manageable and development-ready" region since 2014, and all the provinces except for Negros Oriental continue to be unaffected by insurgency.¹ However, sectoral organization activities of unarmed left-leaning organizations were noted in these provinces, particularly in Cebu. These activities included meetings, visitations, propagandas, rallies. These provinces also at times provided rest and recreation, medical services and safe haven for the armed operatives. Only Negros Oriental is currently affected by insurgency (CPP/NPA). Most of the affected areas are the hinterlands and mountainous regions of the province. Great strides, however, had been made in addressing the insurgency problems. The province was able to substantially reduce the strength and influence of the communist rebels.

The sub-national peace and order councils (POCs) contributed to making most areas of Central Visayas insurgency-free as they provided the mechanism for the coordination and cooperation of all stakeholders in the maintenance of peace and order at the local level. As of end of 2015, all the provinces, cities and municipalities in the region had functional POCs. The Department of Interior and Local Government (DILG) had been providing trainings to these POCs to improve their capabilities. In addition, all barangays in the region had organized their barangay POCs.

The region must continue its efforts to sustain the gains in the attainment of the status of "conflict-manageable and development ready" region. The regional and local POCs must be vigilant for any indication on the resurgence of insurgency in any of its provinces. The region must pay particular attention to the kidnapping threats posed by the Abu Sayyaf group, given the proximity of the group's operations in the southern part of the region.

¹ Provinces categorized as normalized and insurgency-free have experienced peace and stability for more than five years with insignificant or non-existence of armed elements and violent incidents perpetrated by the CPP/NPA. Legal fronts and public rallies continue to exist yet non-violent.

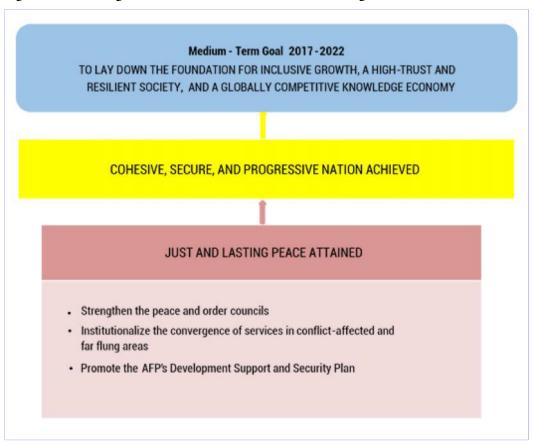


Figure 17.1 Strategic Framework to Attain Just and Lasting Peace

Strategic Framework

Peace and security are essential in the promotion of inclusive growth. These serve as the basic platform for transforming the region's better economic performance into sustainable inclusive growth. In view of this, the region shall endeavor to enhance peace and security to boost investments and improve delivery of services.

Strategies

Strengthen the Peace and Order Councils. To sustain the gains of the region in its anti-insurgency campaign as well as improve law enforcement, the local peace and order councils (LPOCs) shall be strengthened and made operative to do the

following: planning and recommending measures to improve peace and order and public safety; monitoring the implementation of peace and order programs; and making periodic assessment of the prevailing peace and order situation in their respective jurisdictions. The LPOCs are venues for good governance that allow governmentprivate sector collaboration to improve peace and order and public safety.

The LPOCs also provide the venues that allow the local government units (LGUs) and the law enforcement agencies, such as the military and the police, to harmonize and align their respective programs, activities and projects (i.e. implementation of programs in conflict areas) towards the collective goal of promoting peace and order, and internal security. **Institutionalize the convergence of services in conflict-affected and far flung areas.** The convergnce, non-combat counter-insurgency approach will ensure that the delivery of public services by the various government agencies, the private sector and civil society organizations will reach the conflict-affected and far flung areas of the region with the security support provided by the military and other law enforcement agencies.

Support the implementation of the Development Support and Security Plan *Kapayapaan.* The Development Support and Security Plan *Kapayapaan*, also known as Oplan

Kapayapaan, is the internal security program of the Armed Forces of the Philippines (AFP) that is focused on supporting the development efforts of the government to address internal security threat. As an instrument for nation building, Oplan *Kapayapaan* provides the AFP guidance in providing support to the law enforcement authorities in the fight against crime and illegal drugs; in promoting civil-military cooperation; in conducting peace-building advocacy; and in applying military forces against terrorists and other armed threat groups.



Chapter 18

Ensuring Security, Public Order, and Safety

A safe, orderly and peaceful society is desired by the Filipinos for the Philippines.¹ A safe and secure environment facilitates the effective and sustained delivery of services and fosters increased investment and economic growth. Along with peace, increased security, public order, and safety shall therefore be pursued throughout the region. This shall entail greater collaboration among all sectors of society since peace thrives best in an environment of cooperation.

Assessment and Challenges

Crime volume in the region was up by 6.27 percent from 2014 to 2015 with 64,437 cases registered in 2015. The increase was due to the surge in nonindex crimes (15.86 percent), or crimes that are violative of special laws and local ordinances such as illegal logging, illegal fishing, and illegal drugs. More than 65 percent of the crimes committed in 2015 were non-index crimes. (*see Table 18.1*)

Index crimes, on the other hand, dropped by 8.04 percent in 2015. Index crimes, as defined by the Philippine National Police (PNP), involve crimes against persons, such as murder, homicide, physical injury and rape, and crimes against property such as robbery, theft, carnapping/ carjacking and cattle rustling. Such crimes are serious in nature and occur with sufficient frequency and regularity that the PNP uses them as index to the crime situation.² The decline in the volume of index crimes was attributed to the intensified crime prevention campaign involving patrols and security operations.

Crime remains a concern in the region especially in the urban areas. In 2015, Central Visayas ranked third among the country's regions in crime incidence.

A criminal case is considered solved when: (1) the offender has been identified, taken into custody, and charged before the prosecutor's office based on sufficient evidence, (2) when some elements beyond police control prevent the arrest of the offender, such as when the victim refuses to prosecute after the offender is identified, dies or absconds, and (3) the arrest of one offender can solve several crimes or several offenders may be arrested in the process of solving one crime.³ Based on data of the PNP, there appears to be an increasing improvement in the region's crime

¹ A high-trust and peaceful society where human security is assured is one of the aspirations of the Filipino people for the Philippines as embodied in AmBisyon Natin 2040.

² Kyodo News, "Philippines' crime rate falls 13 percent in 2016," *ABS-CBN News*, last modified February 13, 2017, http://news.abs-cbn.com/news/02/13/17/philippines-crime-rate-falls-13-percent-in-2016.

³ National Police Commission (NAPOLCOM(Memorandum Circular No. 94-017.

	INDEX CRIMES			NON-INDEX CRIMES			TOTAL CRIMES		
	2014	2015	PERCENT INC/(DEC)	2014	2015	PERCENT INC/(DEC)	2014	2015	PERCENT INC/(DEC)
Central Visayas	24,399	22,438	-8.04	36,249	41,999	15.86	60,648	64,437	6.27
Bohol	3,650	3,667	0.47	4,192	5,551	32.42	7,842	9,218	17.55
Cebu	16,864	15,480	-8.21	25,637	29,385	14.62	42,501	44,865	5.56
Negros Oriental	3,769	3,173	-15.81	6,217	6,800	9.38	9,986	9,973	-0.13
Siquijor	116	118	1.72	203	263	29.56	319	381	19.44

Table 18.1 Crime Volume by Province, 2014 and 2015

Source : Philippine Statistics Authority

Table 18.2 C.	Crime Solution	Efficiency,	2014 and 2015
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	CRIME	INCIDENCE	TOTAL CRIM	ES SOLVED	CRIME SOLUTION EFFICIENCY (%)	
	2014	2015	2014	2015	2014	2015
Central Visayas	60,648	64,437	27,397	36,537	45.17	56.70
Bohol	7,842	9,218	2,864	4,388	36.52	47.60
Cebu	42,501	44,865	19,236	26,761	45.26	59.65
Negros Oriental	9,986	9,973	5,066	5,199	50.73	52.13
Siquijor	319	381	231	189	72.41	49.61

Source : Philippine Statistics Authority

solution efficiency rate. Crime solution efficiency is the percentage of solved cases out of the total number of crime incidents recorded. In 2011, the region's crime solution efficiency was 37.99 percent. It improved to 45.17 percent in 2014, and further to 56.70 percent in 2015. (*see Table 18.2*) The rates were higher and better than the national averages during the said years. The improved efficiency in solving crimes could be partly attributable to the continuous conduct of investigation trainings for PNP personnel that enhanced their capability and competency to conduct crime investigations. Despite the improvement in the crime solution efficiency, however, the figure suggests that about 43 percent of the crime incidents remain unsolved. More work is still needed in the area of resolving crimes.

In the area of illegal drugs, approximately 95 percent of the barangays in Bohol, Cebu, and Siquijor are affected by illegal drugs, with 1,344 barangays classified as slightly affected, 979 moderately affected, and 5 barangays seriously affected. (*see Table 18.3*)

PROVINCE/ City	NO. OF BRGYS.	AFFECTED BRGYS.	DR Slight	UG AFFECTAT MODERATE		UNAFFECTED Brgys.
Cebu City	80	80	71	9	0	0
Mandaue City	27	27	23	4	0	0
Lapu-Lapu City	30	29	27	2	0	1
Cebu Province	1,066	1,006	719	282	5	60
Bohol Province	1,109	1,082	413	669	0	27
Siquijor Province	134	101	91	13	0	30
Total	2,446	2,328	1,344	979	5	118

Table 18.3 Barangay Drug Affectation, as of December 2016^{1/}

Note: ^{1/} Excludes Negros Oriental

Source: Philippine National Police 7

Strategic Framework

Public order and security are essential elements in building the foundation for inclusive growth, a high trust and resilient society, and a globally competitive knowledge economy. Hence, the region aims to enhance internal stability, safety, and public order by addressing criminality, building the capacity and capability of law enforcement agencies to maintain public order and safety, and strengthening institutions and mechanisms that foster cooperation, collaboration, and the convergence of services, programs, and projects on peace and order.

Strategies

Reduce criminality and improve crime prevention. The region through its law enforcement agencies shall intensify the efforts to reduce criminality by strict enforcement of laws and the continued pursuit of crime prevention activities with stakeholders. Coordination among law enforcement agencies as well as the local government units shall also be strengthened to attain unity of purpose of reducing criminality and/or preventing their commission. Police visibility shall be enhanced especially in crime hot spots by increasing the number of policemen who are the first line of defense against crime. The region targets a 1:500 police-to-population ratio by 2030.

Develop and promote *purok-system* and non-traditional systems for responding to crime and emergencies. The *purok-system* as practiced in some municipalities notably San Francisco in Camotes Island, Cebu, appears to be an effective deterrent against criminality. It involves engaging the households in addressing common concerns that include security, public order, and safety. The system will be promoted in other municipalities for adoption.

Non-traditional systems that will enable law enforcers to effectively respond to crimes and emergencies will also be pursued. These include the establishment of an integrated emergency hotline system, and the promotion of social media platforms for crime and emergency reporting.

Pursue programs to further professionalize and build up the capability of law enforcement agencies. The sustained effort to professionalize the military, police, coastguard and other related institutions will translate into effective and credible law enforcement. It will



Figure 18.1 Strategic Framework to Ensure Security, Public Order, and Safety

provide a strong signal to the public of the region's resolve to uphold the rule of law. Further, this will restore and/or improve the public's confidence in the region's law enforcement institutions.

The programs to professionalize the law enforcement agencies should be conducted regularly. More importantly, it shall be anchored on the platform of moral recovery. Accordingly, interventions such as the PNP Values Formation Project shall be intensified and promoted for adoption by the other law enforcement agencies.

Given their critical role in the administration of justice, the continuing professionalization of the law enforcement agencies will include a paradigm shift that allows law enforcement agents to view their role as integral to obtaining a conviction, rather than simply arresting a suspect. This paradigm shift will definitely impact on speeding up criminal prosecution and the court processes as the law enforcement agents/officers will be focusing on the gathering of evidence sufficient to prosecute a case and obtain a conviction.

To complement the professionalization of the law enforcement agencies, the region shall lobby for the increase in the budget allocations of these agencies to enable them to procure the necessary facilities and equipment for the effective and efficient maintenance of law and order in the region and to address new and emerging security threats such as cybersecurity. Further, the LGUs shall also be enjoined to provide the necessary support to the law enforcement agencies to improve their mobility, communication and firepower.

Intensify campaign against illegal drugs through demand and supply reduction. The region shall intensify its operations against violations of Republic Act No. 9165 otherwise known as the Comprehensive Dangerous Drugs Act of 2002.

To complement the operations of the Philippine Drug Enforcement Agency and the Philippine National Police, the region shall strengthen or revitalize the Barangay Anti-Drug Abuse Council (BADAC) which shall coordinate the anti-drugs campaign at the barangay and community level.

Strengthen the Local Peace and Order Councils. To sustain the gains of the region in its anti-insurgency campaign as well as improve law enforcement, the local peace and order councils (LPOCs) shall be strengthened and made operative to do the following: planning and recommending measures to improve peace and order and public safety, monitoring the implementation of peace and order programs, and making periodic assessment of the prevailing peace and order situation in their respective jurisdictions. The LPOCs are venues for good governance that allow government-private sector collaboration to improve peace and order and public safety.

The LPOCs also provide the venues that allow the LGUs and the law enforcement agencies, such as the military and the police, to harmonize and align their respective programs, activities and projects (i.e. implementation of programs in conflict areas) towards the collective goal of promoting peace and order, and internal security.

Enhance the capability of the security sector for humanitarian assistance and disaster response. The capacity of security sector agencies will be enhanced to respond to gender and development issues, especially during natural and human-induced disasters.

Legislative Agenda

To strengthen the effectiveness of the strategies, the legislative action outlined in Table 18.4 will be pushed.

LEGISLATIVE AGENDA	RATIONALE
Philippine National Police (PNP) Reorganization and Modernization Act	This aims to further improve the agency's capability in providing better police services for crime prevention, suppression, and investigation.
Mandatory Reserve Officers' Training Corps (ROTC)	In view of the declining pool of trained reservists, the proposal calls for making the ROTC mandatory again in college. The manpower supply of reservists shall be tapped to generate the needed human resources in times of national emergencies, calamities, disasters, and wars, and in support of the government's enhanced anti-crime strategy.
Amendment of the Comprehensive Dangerous Act of 2002	This aims to enhance certain provisions in the law to address the present drug situation in the country and regions, particularly in the enforcement of the law, and the organization and/or functions of concerned government agencies. The amendments will support and complement the active and holistic approach being implemented in addressing the drug problem in the country.

Table 18.4 Legislative Agenda to Ensure Security, Public Order, and Safety, 2017-2022



Chapter 19

Accelerating Strategic Infrastructure Development

Infrastructure forms the backbone of the economy and society. They provide the physical connection among the production, protection, and settlement areas. They also link communities and islands as well as the country to the global community.

Infrastructure likewise enables economic processes to take place and helps reduce poverty by increasing access to basic services and development opportunities. Infrastructure development will therefore continue to be a priority of the region over the medium term.

Assessment and Challenges

Transportation

During the last Plan period, the focus of the transport subsector was to improve the connectivity of the region's provinces with each other and with the rest of the country.

A total of 193 kilometers of national roads in Bohol, Cebu, and Siquijor were constructed or upgraded from gravel to pave from 2010 to 2015, while 170.97 kilometers were rehabilitated or replaced. Moreover, some 100 kilometers of roads leading to airports, RoRo ports and tourist sites were widened or upgraded under the convergence programs of national government agencies.

The air transport sector continued to expand with the addition of domestic and international flights going to and emanating from the region's major airports. From 2010 to 2016, the total passenger traffic (domestic and international) at the Mactan Cebu International Airport grew at an average annual rate of 5.6 percent, reaching almost 7.5 million in 2016. Passenger traffic at Tagbilaran Airport also increased at an average annual growth rate of 5 percent during the same period, while that at Sibulan-Dumaguete Airport increased at an average annual rate of 9 percent from 2014-2016.

The big-ticket airport development projects that were started in the last two years were the New Bohol Airport in Panglao Island and the Second Passenger Terminal Building of the Mactan Cebu International Airport. Both projects are set for completion in mid-2018. The improvement of Siquijor Airport has also commenced.

Major ports in the region were likewise improved/ rehabilitated to keep pace with the increase in passenger and cargo traffic. Earthquake and typhoon-damaged ports in Bohol and Siquijor were rehabilitated and improved. To address the congestion problem at the current Cebu International Port, a new container port will be built in Consolacion, Cebu. This project was approved by the NEDA Board in 2016. Notwithstanding the accomplishments in the transportation sector, the region's transport infrastructure remains dismally inadequate and poor in quality. The condition of the region's transport infrastructure is reflective of the country's in general. The Global Competitiveness Report 2016-2017, which assessed the competitiveness landscapes of 138 economies worldwide, ranked the Philippines at 106th place in terms of quality of roads, 113th in port infrastructure, and 116th in air transport infrastructure.

Inadequate transportation infrastructure.

The level of transportation development in the region is outpaced by rapid urbanization, population growth and economic growth.

North-south and east-west access in the provinces are lacking and poorly maintained. Road congestion in highly-urbanized areas is worsening. Port and airport passenger terminal buildings are overcrowded and lacking in facilities and amenities for passenger comfort and convenience. Functional features for users with special needs are either inferior or absent.

Poor transport safety and security. The severity of the damage sustained by the region's transport infrastructure when Central Visayas was struck by strong natural disasters indicated that these structures were not designed and constructed to withstand the impact of strong natural hazards. The transport sector is also highly-vulnerable to accidents and security threats including terrorism.

Costly transportation infrastructure. Since government resources are limited, funding the huge investment requirements of the transport infrastructure necessitates tapping the private sector to finance, construct, operate, maintain, and rehabilitate these infrastructures especially in high-priority areas.

Energy

As of 30 June 2016, the Visayas Grid's installed capacity stood at 2,964.6 MW and the dependable capacity at 2,498 MW. The Visayas Grid is composed of the following five sub-grids that are interconnected by AC submarine cables: Cebu, Negros, Panay, Bohol, and Leyte-Samar. Of the five sub-grids, Cebu accounted for the biggest share (31.5 percent) of the Visayas installed capacity, and Bohol the smallest (1 percent).

The National Power Corporation - Small Power Utilities Group (NPC-SPUG) undertakes the electrification in areas not connected to the main transmission grid. NPC-SPUG operates 27 generating units in 16 islets in Cebu and Bohol. These generating units had a combined rated capacity of 5.373 MW and dependable capacity of 4.672 MW as of November 2016.

Three NPC-SPUG areas are served by the private sector. The island province of Siquijor is served by the Siquijor Island Power Corporation (SIPCOR) which operates a bunker fuel plant with a rated capacity of 6.464 MW. Bantayan Island in Cebu is served by the Bantayan Island Power Corporation (BIPCOR) that operates five generating units with combined rated capacity of 8.519 MW. Meanwhile, the remote island of Malapascua in Daanbantayan Cebu, is served by Power Source Philippines, a Qualified Third Party (QTP) provider.

There are 13 Distribution Utilities (DUs) in Central Visayas, of which ten are Electric Cooperatives (ECs) and three are Private Investor-Owned Utilities (PIOUs). Data from the National Electrification Administration (NEA) show that as of December 2016, all ten ECs had already energized all barangays within their respective jurisdictions. NEA and the concerned ECs also completed the energization of 100 percent of the target 2,754 sitios in Bohol, Cebu and Siquijor under the Sitio Electrification Program. For their part, the PIOUs had energized 100 percent of the barangays within their jurisdictions but, like most

ECs, have yet to accomplish 100 percent connection of potential customers.

Rising electricity demand. Stable, reliable and affordable electricity is essential for inclusive socioeconomic development. The use of electricity propels economic productivity and industrial growth and is fundamental for any society to function properly, smoothly and effectively.

Economic and population growth are the key drivers of the rising electricity demand in the region. From 2017 to 2022, the regional economy is projected to expand at an annual rate of between 6.9 to 8.8 percent (high growth scenario) and the population to grow at an annual rate of 1.20 percent. Consequently, demand from end-users in the industrial, commercial and residential sectors is expected to correspondingly rise steadily during this period.

A major challenge for the power sector then is how to ensure supply-demand balance and avert capacity gaps. DOE projections show that system demand will outstrip the dependable capacity of the Visayas Grid by 2020 if additional capacity does not go on-stream.

High cost of power. The 2011 Household Energy Consumption Survey (HECS) conducted by the PSA indicated that electricity is the most common source of energy used by households (87 percent) in the Philippines. Electricity, thus, can be considered a basic need of almost nine out of every ten Filipinos.

Electricity rates in the Philippines are reputedly among the highest in Asia. The Philippines is one of the few countries in the region where electricity is not subsidized so as to reflect the true cost of power. The cost of power generation is also very high. Generation charges usually constitute the bulk (roughly 40-70 percent) of the electric bills. On top of generation charges, consumers also pay a multitude of other charges including transmission, distribution, system loss, supply, metering, national and local franchise taxes, universal charge (to cover missionary electrification and NPC stranded contract costs), and Feed-in-Tariff allowance.

The off-grid areas in the region pay the highest electricity prices particularly Camotes Island, Siquijor and Bantayan Island. The electric cooperatives serving these three islands are always ranked in the top 10 ECs with the highest electricity rates in the entire Visayas and in the top 15 nationwide.

High cost of power has negative impact on job creation and economic growth. It deters the entry of new investments and the expansion of existing ones. It also causes households to spend more on electricity and less on other basic needs. The high cost of electricity is a major concern by residential, industrial and commercial consumers alike.

Inadequate and unreliable power supply in off-grid areas. In most of the remotely located mini-grids in the region, electricity is available only for four to eight hours per day. While electricity is available for 24 hours in the larger off-grid islands of Siquijor and Camotes and Bantayan in Cebu, electricity outages or brownouts are quite common due to rising power demand coupled with inadequate power generation infrastructure.

Very slow development of RE resources. The passage of the Renewable Energy (RE) Act of 2008 underpins the government's commitment to accelerate the exploration, development and optimal use of the country's RE resources. RE is a critical component of the government's strategy to meet the challenges of energy security and climate change considering that burning fossil fuel is the biggest contributor to greenhouse gas emissions.

The National Renewable Energy Program (NREP) provides the building blocks for the achievement of the goals stated in the Renewable Energy Act of 2008. The NREP is aligned with the government thrusts to increase the country's energy self-sufficiency, ensure energy security, and promote sustainable development.

The NREP provides indicative targets for the delivery of renewable energy for the period 2011-2030. For the Visayas, the NREP set the following target capacity additions by 2015: Geothermal–70 MW; Hydro–84.5 MW; Biomass–142.6 MW; Wind–217 MW; and Solar–34 MW, for a total of 548.1 MW. By 2020, another 242.4 MW of REbased capacity is planned to be installed.

Government has been largely successful in facilitating private sector investments in RE technology for power generation. Several RE power plants were established in the Visayas between 2011-2016, bringing the total RE-based (geothermal, hydro, biomass, solar and wind) installed capacity in the Visayas Grid to 1,508.9 MW and the share of RE sources for power generation in the capacity mix to over half (50.9 percent) of the total installed capacity as of June 2016. But the success in the Visayas grid is not mirrored in Central Visayas. Fossil fuels accounted for 99 percent of the combined installed capacities for power generation in the Cebu and Bohol subgrids as of June 2016. RE sources, mainly hydro, accounted for a paltry 1.0 percent of the total installed capacity in these sub-grids. Only Negros Oriental has a higher share of RE sources mainly from geothermal. Compared to the two other Visayas regions, Central Visayas has lesser RE installed capacity.

Grid stability and reliability issues. There are issues in the Visayas Grid that need to be resolved to ensure that capacity generation meets the demand and maintains the reserve requirement. Per the National Grid Corporation of the Philippines (NGCP), the long radial configuration of the grid makes it prone to grid separation in case of any incident along the line, such as what happened in 2013 when transmission facilities in Leyte were damaged by Typhoon Yolanda and cut off the power supply to Bohol. Additionally, the siting of generation capacity addition mostly outside of the major load centers has resulted in transmission congestion. The limited transmission capacity of the existing submarine cables also makes it difficult to transfer excess generation capacity across islands.

Water Supply

Access to safe and adequate water is an essential element of inclusive development. According to the World Health Organization (WHO), about one tenth of the global diseases could be prevented through adequate provision of safe water. In 2015, data of DOH 7 showed that 7 per cent of families in the region had no access to safe water. This means that the development of sustainable and equitable water system in the region remains a concern.

The lack of robust management and ample investment for water development has led to the emergence of issues and challenges pertaining to water distribution and supply.

Lack of systematized technical and operational approach to water resources. The overlapping regulatory functions of various government agencies on water resources management led to partial, narrow, and unsustainable approach to water sector development. Autonomous agencies with overlapping mandates produced entangled responsibilities, incomprehensive data, and inconsistent resolutions. The lack of a coordinated and ecosystem-based management of water from extraction to disposal affected the water supply in the region, especially in major urban areas, like Metro Cebu.

Water scarcity. Water usage in the agricultural, domestic, and industrial sectors is faster than they can be replenished. This is an offshoot of rapid population growth and urbanization especially in Metro Cebu. The lack of coordinated urban planning and management affects water security as unregulated water withdrawals and discharges hamper the natural water cycle, which results to water depletion or contamination. Moreover, water stress is exacerbated by climate change as exemplified by the drying up of water reservoirs during a severe drought that hit the region in the first semester of 2016. According to the National Water Resources Board (NWRB), Metro Cebu's projected water demand will reach around 342 million cubic meters by 2025. However, a Philippine Institute for Development Studies (PIDS) study in 1998, showed that the volume of exploitable groundwater in Metro Cebu remains at the level of 60 million cubic meters. Considering that Metro Cebu's major water source is ground water, a gap of 282 million cubic between demand and exploitable groundwater is looming by 2025, not to mention the deteriorating quality of these water reserves due to saltwater intrusion.

Limited access to piped water connection.

While 95.64 per cent of Metro Cebu's households have access to water supply services, only 39.10 per cent of these households are being served by MCWD. The majority or 56 per cent get their water from small-scale public or private well operators which deliver water through local water distribution systems or scheduled-delivery schemes.

The rural areas in the region also continue to grapple with water quality and physical accessibility issues. Water supply in these areas, like that in the islands, rely on low-cost technologies in extraction, treatment, and delivery of water.

Low investment levels for water supply. In 2015, the MCWD received a P679-million JICA grant for a Supervisory Control and Data Acquisition (SCADA) system for managing water supply. The system should help MCWD maintain efficiency, process data for smarter decisions, and communicate system issues to help mitigate downtime. Still, substantial investments are needed to completely upgrade the water supply system of Metro Cebu, particularly the upgrading of the distribution networks. Furthermore, MCWD's capital financing needs to be redirected more towards surface water sources than ground water sources since extensive groundwater extraction could be unsustainable in the near future.

Improvement of water storage systems and expansion of water pipelines in rural areas also require heavy investments.

Irrigation

Water supply shortage. The lack of water for irrigation has constrained farmers from increasing agriculture production. While the El Niño phenomenon has affected the supply of water, the problem is also exacerbated by other factors, such as poor maintenance and design of irrigation facilities, and mismanagement of these facilities by the Irrigators Associations (IAs).

Inefficient operation of irrigation facilities. The unequal distribution of irrigation water to farmers and their agricultural lands is partly the result of the inefficient and poor operation of irrigation facilities by the IAs. Lack of maintenance and poor design also hamper the efficient operation of the systems.

Lack of expertise to manage the Irrigators Association. Members of IAs often lack the skills to effectively run their associations. Hence, many IAs fail. Other than growing rice, members of IAs can also be trained on other skills including managing and operating an IA.

Flood Control

Inefficient design of flood control facilities. Even with normal rainfall, flood often occurs in Metro Cebu and other areas of the region due partly to inefficient design of flood control facilities. Many flood control designs are obsolete and could not accommodate substantial flow of water especially in urban areas.

Lack of flood control facilities and earlywarning system. A number of flood control facilities do not have flood early warning systems. As a result, the people are not forewarned early on of impending floods and are often caught unprepared. Unintegrated flood-mitigation programs. The lack of coherence in the implementation of flood control measures has caused overlapping of efforts and inefficiency in addressing flooding problems.

Information and Communications Technology

ICT continues to be a primary growth driver of Central Visayas. ICT refers to technologies that provide access to information through telecommunications which include fixed telephone lines, cellular mobile telephone services (CMTS) and broadband internet, among others. There is broadband and CMTS coverage in all cities and municipalities in Central Visayas although it shows considerable concentration in urban centers.

Poor ICT infrastructure. Despite the significant progress of ICT in the region, digital divide or the inequality in access, distribution and use of ICT remains an issue. ICT services are primarily provided by private telecommunications operators and driven mainly by demand. Thus, there is high connectivity in urban centers where most economic activities take place, compared to rural areas.

In the education sector, the government aims to connect public schools to the internet to augment educational instruction. However, not all public schools in the region could be provided access due to unavailable broadband coverage in farflung areas.

It is imperative that the government intensify its efforts to improve the accessibility, affordability, availability, reliability and efficiency of ICT services in the whole region for increased growth.

Underutilized ICTs in e-Government Systems. The government aims for a more efficient, convenient and less costly means in delivering information and services to the people, which can be achieved with the use of ICTs. However, national agencies and local government units have not taken full advantage of the features of ICTs which could facilitate communication and linkage between the government and its citizens.

Absence of statistical data to accurately assess the gaps and needs in the region's ICT sector. The absence of statistical data or information constrains the region from accurately assessing the gaps and needs of the ICT sector. The information can be used in formulating sound ICT policies and regulatory frameworks.

Social Infrastructure

Basic Education

Huge classroom backlog and slow delivery of additional educational resources. Classroom backlog is the number of unmet needs for classrooms caused by the increase in pupil/ student enrolment and the requirements of the K-12 Program which added three more years to the basic education curriculum. This is evident in high elementary and secondary classroom-pupil/ student ratios.

Based on the standard classroom to pupil ratio of 1:45, the school divisions in the region with the highest need for additional classrooms in the elementary level are the cities of Talisay, Mandaue, and Lapulapu. In the secondary level, there were more school divisions in need of additional classrooms, such as Cebu and the cities of Cebu, Lapulapu, Mandaue, Talisay, Carcar, Toledo, Danao and Tagbilaran.¹

The delivery of additional education resources has been slow due to limited financial resources of government, lack of land for school building/ classroom, and lack of credible contractors to construct the school buildings. Most schools have also been lagging behind in terms of providing the functional facilities needed by students with disabilities.

¹ Based on classroom to pupil ratio during School Year 2013-2014

Lack of access to clean water and sanitation facilities in public schools. A 'complete' classroom includes toilet and water facilities, among others. The provision of clean water and sanitation facilities in public schools is also a concern. Access to these basic facilities in school remains low particularly in urban and far-flung areas where there are few of these facilities that are being shared by all grade levels. Lack of these facilities not only affects the learning process of public school pupils/students but also their health and nutrition.

Health

Access to health facilities/services remain low/unequal. Public hospitals are overcrowded and lack the modern equipment and facilities. The ratio of hospital bed to population which is expressed as the number of available hospital beds for every 1,000 population in Central Visayas is also high at 1:1,316 in 2015. The city of Lapulapu (1:6,142) and the provinces of Cebu (1:5,651), Negros Oriental (1:2,288), and Bohol (1:1,272) have the highest hospital bed to population ratios in the region.

Many of the rural heath units and barangay health centers are also confronted with poor and inadequate primary health care services. Further, the high fees charged by private hospitals offering tertiary health services prevent low income groups from accessing these services.

Lack of affordable land for the construction/ expansion of primary health care facilities. The lack of affordable land hampers the construction/expansion of primary health care facilities. Where infrastructure is available, its functionality is an issue due to lack of financial support, human resources, and necessary equipment provided by the local government units.

Strategic Framework

Infrastructure development is one of the essential foundations supporting the three pillars of the RDP of increasing public trust in government, reducing inequality, and attaining high and sustainable growth. The goal of infrastructure development is to accelerate the provision of the necessary and key infrastructure and facilities so that socio-economic processes can take place that will lead to poverty reduction and increased growth (*see Figure 19.1*).

Strategies

During the Plan period 2017-2022, government will endeavor to adopt the succeeding strategies and measures to address the challenges in infrastructure development in the region.

Transportation

Plan and implement a transport network that serves the needs of the people and promotes greater access to markets, production areas and vital industries. Transport and other concerned agencies shall continue to implement their convergence programs to ensure that transportation interventions are integrated into the overall regional vision for economic and social development.

In particular, the Department of Public Works and Highways (DPWH) shall continue to link with the Department of Trade and Industry (DTI) for better road infrastructure connecting the industries; the Department of Tourism (DOT) for the upgrading of roads leading to tourist destinations; the Department of Transportation (DOTr) for the improvement of roads to airports and seaports; and the Department of Agriculture (DA) for the provision of farm-to-market roads to food production and processing sites.

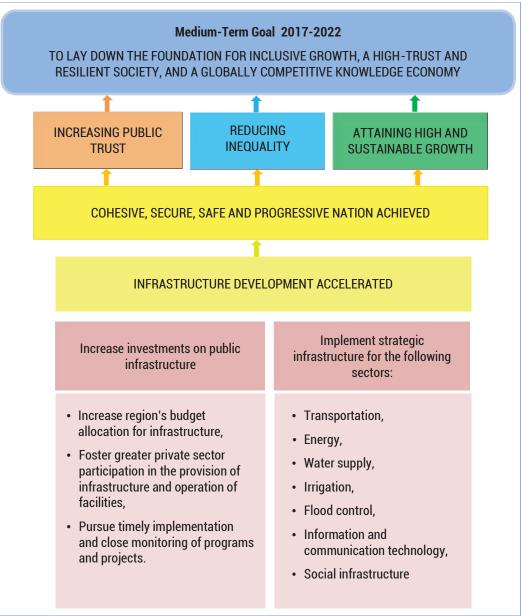


Figure 19.1 Strategic Framework to Accelerate Infrastructure Development, 2017-2022

To ensure integrated and harmonized transport initiatives, the updating/ conduct of transport master plans and roadmaps shall be routinely carried out. The preparation of project feasibility studies and detailed engineering designs shall be fast-tracked. The integration of transportation development with land use to reduce the need for travel and to support trips by more sustainable modes shall likewise be advocated. Enhance intra and inter-island connectivity. A well-developed and interconnected transport network reduces the distances to destinations. Intra-island connectivity will be enhanced by expanding the capacity of roads through widening, improvement or new construction of north-south backbones, east-west laterals, cross country, and secondary and tertiary roads. Transport facilities and services will be established in existing waterways to encourage commute

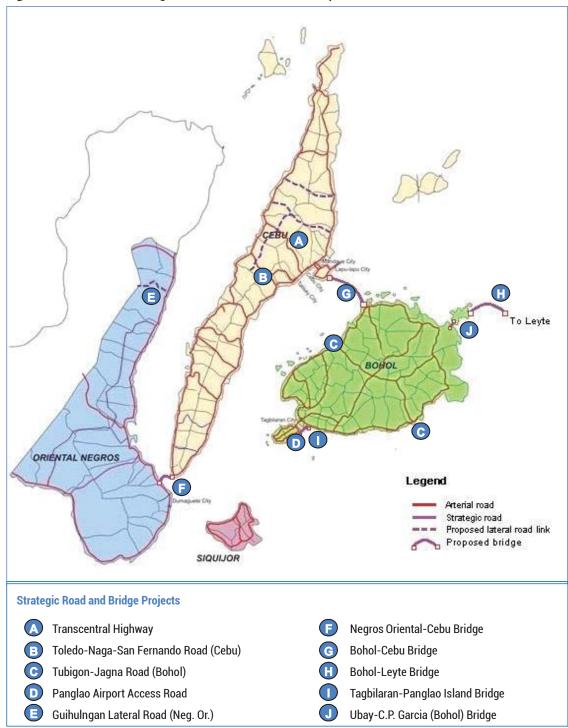


Figure 19.2 Road Transport Network, Central Visayas

Source: Central Visayas Regional Spatial Development Framework, 2016-2045

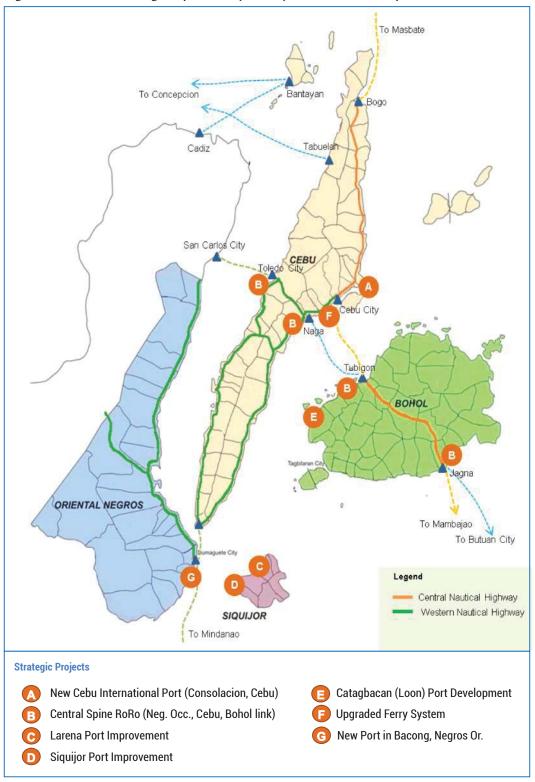


Figure 19.3 Nautical Highway and Major Projects, Central Visayas

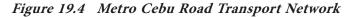
Source: Central Visayas Regional Spatial Development Framework, 2016-2045

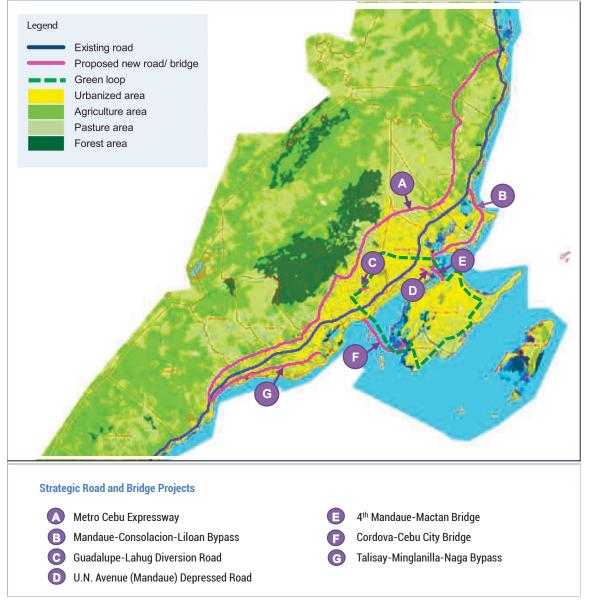
using water vessels. Where feasible, bridges connecting island provinces will be built (*see Figure 19.2*).

Improving interprovincial and interregional connectivity entails the construction of bridges linking the region's island provinces with each other and with the islands in the other Visayas regions. Existing ports and their facilities will be upgraded while alternative ports will be developed (*see Figure 19.3*). Existing airports and their

facilities will likewise be improved. The transfer and construction of a new airport in Bacong, Negros Oriental will be pushed. Additional air and sea links within and outside of the region will be established.

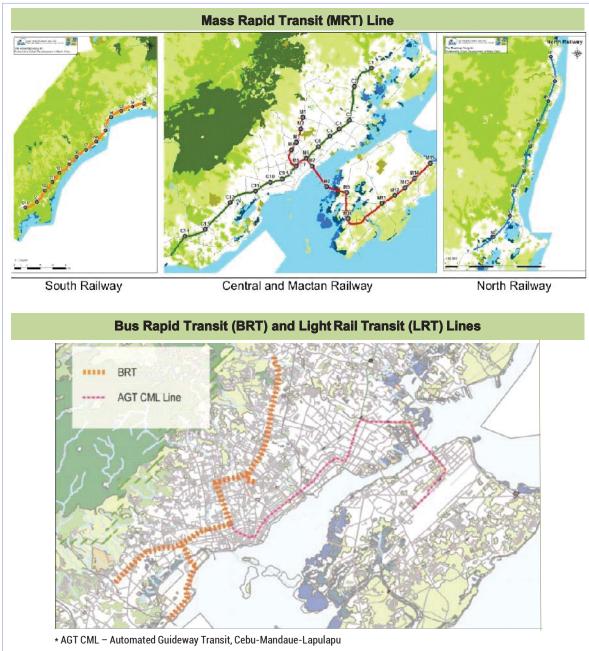
Mitigate road congestion. Road congestion, especially in the major urban centers of the region, shall be addressed through a combination of engineering and non-engineering initiatives. Providing additional road capacity shall involve





Source: Central Visayas Regional Spatial Development Framework, 2016-2045, JICA, MCDCB Roadmap Study for Sustainable Urban Development in Metro Cebu, 2015

Figure 19.5 Metro Cebu Rail Projects



Source: JICA, MCDCB Roadmap Study for Sustainable Urban Development in Metro Cebu, 2015

road widening and construction of bypasses, underpasses, flyovers, and flared intersections (*see Figure 19.4*). Travel using sea vessels in existing waterways shall vigorously be promoted as an alternative to road commute. The development of mass transit systems in metropolitan areas shall likewise be pursued so that the transport network in these areas shall consist of road as well as rail-based system (*see Figure 19.5*).

In view of the huge cost of road-right-of-way (ROW) acquisition, project alternatives with the least ROW requirement shall be explored. To expedite project implementation, a 24/7 work schedule shall be observed for transportation

projects in urban areas. Seeing as a major cause of delay in the implementation of transportation projects the issue on ROW, the creation or designation of courts solely for ROW cases shall be strongly promoted as complementary measure to ensure project facilitation.

Traffic management measures shall be put in place to address bottlenecks without necessarily making structural changes to the roads. The creation of traffic management boards in metropolitan areas shall be pursued to coordinate and harmonize inter-LGU transport and traffic management. Bus, jeepney and tricyle routes shall be rationalized while the use of motorcycles or *habal-habal* shall be regulated. Traffic rules and regulations shall be strictly enforced.

Ensure public engagement and interinstitutional linkages in program and project identification and implementation. Genuine public involvement and interinstitutional coordination are fundamental to effective and sustainable transport planning. This is necessary to ensure that the concerns and issues of those with a stake in transportation decisions are identified and addressed in the planning and implementation of the programs and projects.

A good practice in inter-institutional linkages worthy of replication is the identification of strategic road links (SRLs) under the Coordinating Road Investments for Development (CR+ID) Project. The identification of the SRLs, using valuechain analysis, was a collaborative undertaking among the concerned LGUs and government agencies, RDC, and the private sector through the chambers of commerce and industry.

Promote non-motorized transport. Walking and cycling, widely known as non-motorized transportation (NMT) or active transportation, are important modes of transportation. However, these are often not accorded high priority in transport planning and project identification. Consequently, facilities specifically for walking and cycling are either non-existent, inadequate or poorly maintained. NMT shall be vigorously

promoted as they reduce traffic congestion as well as offer medical, environmental, social and economic benefits to the public.

There are several ways to improve NMT. These include improving/providing sidewalks, crosswalks, paths and bike lanes. More importantly, the planning and design of roads should already incorporate the provision of walking and cycling infrastructure and safety especially in major urban areas.

Consider the needs of disadvantaged groups in transport planning and construction. Addressing the needs of disadvantaged social groups (e.g. persons with disabilities, elderly, pregnant women, children) is integral to inclusive transport development. Transport facilities should be accessible and barrier-free. Universal Design, which refers to designs that accommodate the widest range of potential users including those with mobility and visual impairments and other special needs, shall be incorporated in transport planning.

Closely monitor the implementation of transport programs and projects. Monitoring is important in tracking the performance of programs and projects and in guiding their implementation towards the intended results. Additionally, implementation issues and concerns are identified, reducing the likelihood of incurring cost overruns or time extensions.

The implementation of transport programs and projects shall be closely monitored by the implementing agencies and the Regional Project Monitoring Committee (RPMC) under the RDC. Coordination meetings and problem-solving sessions shall be conducted as needed to resolve project implementation problems, which, in road projects, usually involve road-right-of-way acquisition and relocation of facilities of public utilities. Concerned transport agencies shall strictly impose sanctions/penalties on contractors with high negative slippages. The activation of the Local Project Monitoring Committees (LPMCs) at the provincial, city and municipal levels shall be pursued. The creation of the LPMCs to monitor LGU projects funded from national government and local government funds was mandated by Memorandum Order No. 175 issued in 1988.

Institutionalize CCA/DRRM in transportation planning and construction and pursue transport safety initiatives. Natural disasters cannot be averted but their effects can be mitigated. The region is particularly vulnerable to devastation caused by typhoons, earthquakes, landslides, and floods. Transport infrastructure should be disaster-resilient, which entails upgrading design standards or retrofitting, where applicable, to minimize the damage caused by natural disasters and reduce the amount of disruption to the effective functioning of the transport system after a disaster.

Disaster risk reduction management and climate change adaptation (DRRM/CCA) shall serve as guiding principle in the planning, design and construction of transport infrastructure. The DPWH Design Guidelines, Criteria and Standards (2015), which updated the previous guidelines issued more than twenty years ago by introducing best practice in design for public infrastructures adaptable to local requirements such as climatic, geotechnical, geological and seismological conditions, shall be fully implemented.

The creation at the national level of an independent body to investigate transport accidents and propose transport safety recommendations through the passage of the proposed Philippine Transportation Security Act will be supported.

Foster greater private sector participation in transportation projects and operation and maintenance of facilities. Government shall continue to promote collaboration with the private sector in development interventions through the Public-Private Partnership (PPP) program and Joint Venture (JV) to expand the level of transport infrastructure investment in the region. Private sector participation shall be promoted not only in the provision of the infrastructure but also in the operation and maintenance of facilities, such as airports, that are currently normally undertaken by the government.

Energy

The government recognizes the indispensable role of power in the attainment of inclusive and robust economic growth. The overarching goal in power development is to ensure adequate, stable, reliable, accessible and affordable electricity.

Pursue the timely implementation of capacity addition projects. To stave off supply-demand gap in the Visayas Grid, the timely implementation and commercial operation of committed and indicative capacity addition projects shall be pursued. As of 31 October 2016, a total of 471.6 MW of committed additional capacity are expected for the Visayas until June 2018. Of this total, 68.8 MW shall be contributed by power plants in Cebu, Bohol, and Negros Oriental.

Additionally, 3,342.9 MW of indicative capacity addition are lined up for the Visayas as of 31 October 2016. Of this total, 1,198.9 MW or more than one-third (35.9 percent) shall be contributed by power plants located in Cebu, Bohol, and Negros Oriental. (*see Table 19.1*).

In the mini-grids serving remote islets in Bohol, planned additional capacities shall be carried out by NPC-SPUG in 2017. These capacity expansions to the existing generating units shall guarantee the residents at least eight hours of electricity per day from the current daily operating time of between four to six hours only. The development of new areas for power generation in 11 islets in Bohol shall also be pursued in the next few years.

Capacity expansion shall likewise be implemented in NPC-SPUG areas in Bantayan Island and Camotes Island in Cebu for the generating sets

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POWER PLANT PROJECT	RATED CAPACITY (MW)	TARGET Commissioning	LOCATION
Coal			
Thermal Visayas Energy Project	300.0	March 2018	Toledo City, Cebu
SPC Coal Power Plant	300.0	TBD*	Naga City, Cebu
Ludo Coal-Fired Thermal Power Plant	300.0	TBD*	Cebu City
Solar			
Ceko Solar PV Project	100.0	TBD*	Daanbantayan, Cebu
Bogo V Solar Power Project	16.7	TBD*	Bogo City, Cebu
Bogo 3 Solar Power Plant	15.0	TBD*	Bogo City, Cebu
Mabinay Solar Power Project	90.0	TBD*	Mabinay, Neg. Or.
Hydro			
Loboc Hydro Power Project	1.2	June 2018	Loboc, Bohol
Basak II	0.5	April 2019	Badian, Cebu
Amlan (Plant B)	1.5	July 2019	Amlan, Neg. Or.
Amlan (Plants A and C)	4.0	Sept. 2019	Amlan, Neg. Or.
Geothermal			
Dauin Geothermal Project	40.0	Dec. 2021	Dauin, Neg. Or.
Battery			
Enerhiya Delas Islas III Battery Energy Storage Project	15.0	TBD*	Compostela, Cebu
Enerhiya Delas Islas II Battery Energy Storage Project	15.0	TBD*	Amlan, Neg. Or.
Total	1,198.9		

Table 19.1 Indicative Power Projects in Central Visayas, as of 31 October 2016

that currently have daily operations of less than 24 hours. This is intended to increase the daily operating periods to between 16 and 24 hours. For its part, BIPCOR shall install additional capacity of 3 MW in 2017 to meet the rapidly increasing power demand in Bantayan Island.

Relatedly, demand forecasting by the DUs shall be strengthened to provide a more accurate picture of the future power requirements in their respective franchise areas. The demand forecasts shall serve as guide of the power generators in their capacity expansion plans, forestalling supplydemand gaps.

Pursue the timely completion of identified transmission projects. The implementation of critical transmission projects in the Visayas for the period 2017-2022 will be pursued and closely

monitored to ensure their timely completion. These NGCP projects are intended to support generation capacity additions including RE-based generation and address concerns on the adequacy and reliability of transmission facilities. Among the vital transmission projects in the region are the Cebu-Bohol Interconnection and the Cebu-Negros-Panay (CNP) 230 kV Backbone.

The Cebu-Bohol Interconnection will serve as alternative transmission circuit to Bohol. Currently, Leyte is the main power supplier to Bohol. Any outage to this single circuit 138 kV line connecting the two islands will undoubtedly result in power interruption in Bohol. This project will also address the power deficiency problem in Bohol due to limited land-based generation by providing the island-province access to the bulk generation of Cebu-based power plants. Power

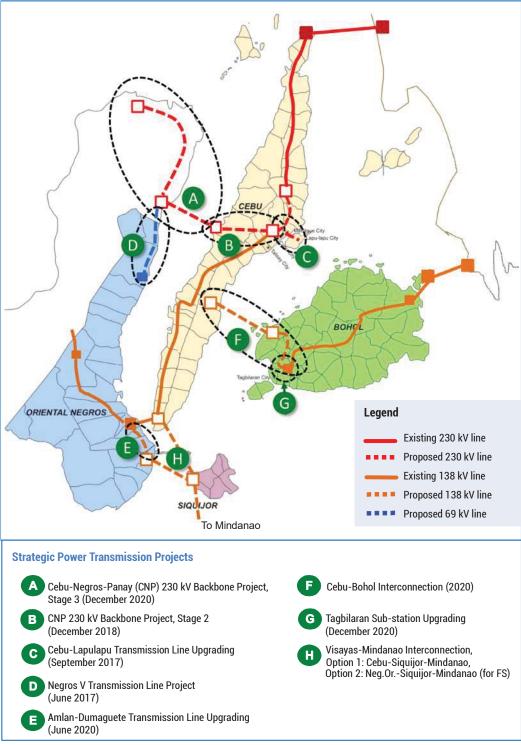


Figure 19.6 Visayas Grid and Major Power Transmission Projects, Central Visayas

Source: National Grid Corporation of the Philippines

demand in Bohol is expected to rise significantly due to expanding economic activities and the completion and operation of the new Bohol Airport in Panglao Island by mid 2018. The completion of the Cebu-Bohol Interconnection by 2020 or earlier will be vigorously pursued.

The Cebu-Negros-Panay 230 kV Backbone Project is part of the major transmission development in the Visayas Grid to support the new baseload plants in Cebu and Panay and the RE based power plants in Negros and Panay. The project is divided into three stages. Stages 2 and 3 will address the need to reinforce the 138 kV submarine cable interconnections between Cebu, Negros and Panay to the high capacity 230 kV (*see Figure 19.6*).

Pursue the submarine interconnection of off-grid areas to the main grid. If the large off-grid islands in the region are connected by submarine cable to the main grid, they will be able to tap the surplus power in the latter, resulting to adequate and more reliable power supply. To meet the rising power demand in the off-grid areas, the RDC has proposed the interconnection of the bigger islands in the region to the Visayas Grid, viz: Bantayan, Cebu to mainland Cebu; Camotes, Cebu to mainland Cebu or Leyte; and Siquijor to Negros Oriental or Cebu. Detailed studies of these proposals are being undertaken by NGCP to determine, among others, if the inadequate supply of power in the off-grid islands is best addressed by a transmission solution or by simply establishing island-based power generation facilities.

Maximize existing transmission networks by promoting the establishment of power plants in ideal locations. Establishing power plants in load centers is considered the most ideal situation as this reduces the need to import power. Importing power does not only require the installation and/or upgrading of capital-intensive transmission facilities but also increases the likelihood of power supply inadequacy and instability due to transmission congestion, However, since the load centers are the highlyurbanized areas, this is not always possible due to high cost of land acquisition, congestion, and environmental issues, among others.

Considering the huge costs involved in the installation and upgrading of submarine cable interconnections and carrying out other transmission reinforcements, NGCP has prepared an indicative list of ideal locations of power plants in the major island grids to guide prospective power generation investors. NGCP also identified the substations where the new power plants may connect without them necessarily implementing any grid reinforcement. The identification of the specific locations and connection points was based only on the capacity of the grids and did not consider the other important siting requirements such as site geology/topology, accessibility, security, environmental concerns, etc. In the region, the ideal locations identified are Daanbantayan and Compostela in Cebu and Corella/Ubay in Bohol. The siting of prospective power plants in the identified ideal locations will be promoted.

Accelerate the development and utilization of RE resources. The popular support for the use of RE is becoming more widespread especially when viewed from the perspective of low carbon development pathway for the country. Thus, the research and development of untapped RE resources and their utilization will continue to be promoted. Presently, the shares of RE-based plants in the capacities of the Cebu and Bohol sub-grids are insignificant. Additionally, the bulk (86 percent) of the indicative additional capacity for Cebu will come from fossil fuels, particularly coal.

Promote demand-side management. Efficient use of electricity through demand-side management will be enhanced. Energy efficiency and conservation programs in commercial industrial, government and household sectors to reduce electricity consumption will be promoted.

Support measures to make electricity affordable. There is a direct correlation between the price of electricity and the supply of electricity. More investments are needed in power generation to guarantee adequate power supply. To attract investments, government must provide a conducive environment for the entry of indicative generation projects. The streamlining of the application process for securing permits for power projects will continue to be advocated. Additionally, indigenous energy exploration and development will be promoted to reduce reliance on imported fuels for power plants like coal and petroleum.

A review of the taxes on electricity to find ways on how these could be reduced or scrapped will be strongly supported, particularly the pass-on government charges like the value-added tax on system loss, universal charge for NPC's stranded costs, and FiT allowance. Inasmuch as a considerable portion of electric bills is attributable to generation charges, the continued assistance to electric cooperatives on their power supply contracts/ agreements will be strengthened.

Strengthen provincial and regional institutions for the discussion of power issues. The Subcommittee on Power under the Central Visayas RDC shall continue to serve as forum for the discussion of power-related issues, concerns, and developments in the region. The RDC in Central Visayas is the only RDC in the country that has created a Subcommittee specifically for power issues and concerns. It is composed of concerned government agencies, private sector representatives and stakeholders in power generation, transmission and distribution in the region.

At the provincial level, the creation of a body similar to the Bohol Energy Development Advisory Group (BEDAG) shall be promoted for replication in the other provinces. BEDAG was created through an Executive Order signed by the Provincial Governor of Bohol in March 2014. BEDAG formulated the Bohol Island Power Development Plan (BIPDP), which aims to ensure power supply availability, reliability, resiliency and, ultimately, lower electricity prices throughout the province.

Water Supply

Increase investments on new water sources. To meet future demand for water, there is a need to identify and develop new sources of water. These include surface water, groundwater, water produced through desalination and other technologies, and harvested rain water. Identified sources include dams in Mananga, Kotkot, and Lusuran in Cebu, and Malinao dam and the Bohol Northeast Basin multi-purpose dam in Bohol, although the latter is envisaged to be mainly used for irrigation and hydro-power (*see Figure 19.7*).

Pursue the creation of a lead agency in the region to coordinate the development and management of water resources. The establishment of a clear and organized framework for water resources governance shall be prioritized. A lead agency to serve as water resources coordinating body needs to be identified in the process. This body shall facilitate the engagement of public and private stakeholders at the local and regional level. This shall ensure that ecosystem-based management are observed in the whole process of water utilization.

Adopt policy and technology-specific approaches for sustainable water use. The introduction of performance incentives through penalties and performance-based fees will promote responsible water usage. The formulation of stringent policies accompanied by innovative technological measures will holistically mitigate the collective impacts of climate change, drought, increased population demand, and natural disasters to water stress. These policies will facilitate the development of long-term conservation practices and cost recovery mechanisms. The application of water-saving technologies will push the improved operation, better management, efficient use, and preservation of the environment in the water sector.

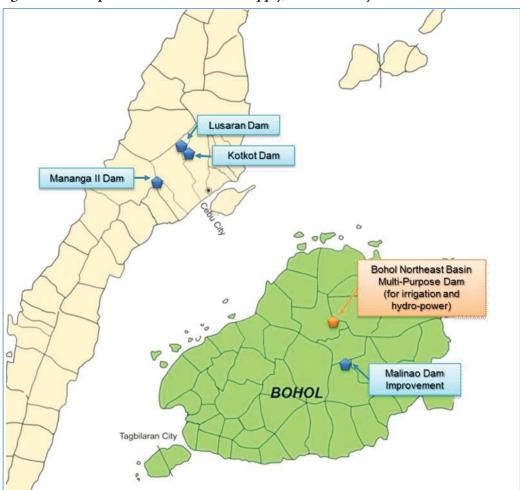


Figure 19.7 Proposed Dams for Water Supply, Central Visayas

Source: Central Visayas Spatial Development Framework 2016-2045

Use of location-based and cost-effective technologies in acquiring water in the remote areas. The acquisition of location-based and cost-effective technologies shall be promoted. This shall entail the conduct of assessment studies on water availability within water stressed areas. These studies shall serve as the basis in determining which technology will be costeffective. Technologies like solar or wind powered desalinating and rain catchment facilities are more likely to be feasible in island barangays, while water harvesting techniques may be fitting in mountainous areas. **Promote private sector involvement in water sector development.** Aside from financial investment, private sector's institutional and regulatory capabilities will greatly contribute to the improvement of the water sector in the region. Thus, the government will explore PPP contracts wherein the private sector's potentials will be applied in the continuing quest for water sustainability.

Irrigation

Enhancement of design of irrigation facilities. Irrigation facilities shall be designed and constructed in such a way that they withstand

natural disasters like earthquakes and typhoons. Concerned government agencies and bodies shall be required to strictly monitor the design and implementation of irrigation facilities. This calls for the strengthening of the region's monitoring system.

Increased investment on new irrigation

systems. Aside from the rehabilitation of existing irrigation facilities, the government needs to invest on new irrigation systems in order to further improve agriculture production. Strategic locations for new irrigation facilities shall be identified. Water management practices shall also be integrated during the investment phase to maximize benefits from the facilities.

Active participation of Irrigators Association

(IAs). The improvement in the management of irrigation facilities needs active participation from the irrigators association (IAs) in order to sustain these productivity-enhancing practices.

Flood Control

Integrate early-flood control warning system in design of flood control projects. Integrating an early-flood warning system in the design of flood control projects will give ample time to the people and the community to prepare for any imminent flooding and other natural disasters during heavy down-pour. This will also facilitate early evacuation resulting to lower number of victims of natural disasters.

Promote comprehensive and compatible flood control programs. Preparing congruent plans and programs entails consulting the immediate stakeholders on flood and other related issues.

Information and Communications Technology

Address ICT infrastructure gaps. To achieve universal access, the government needs to come up with interventions that will expand the reach of ICTs to unserved areas. Connectivity in remote areas is critical especially in disaster-prone barangays since it plays a significant role in the exchange of valuable information. Natural hazards can inflict loss of lives and properties; however, damage can be prevented or minimized through the aid of ICT. Monitoring weather conditions through government websites (i.e DOST-PAGASA), social networking sites, and various mobile applications will help local government units and even households with internet access undertake appropriate precautionary measures, thereby preventing and mitigating damage.

The updating of the Philippine Digital Strategy shall be pursued to set the direction for the development of e-Government as a priority in order to facilitate greater efficiency and effectiveness in the delivery of basic social services and minimize opportunities for corruption. It entails the implementation of systems that will ensure integration and inter-operability of ICT infrastructure and programs across government agencies. The formulation of the National Broadband Plan, which aims to interconnect government offices across the country, increase internet penetration, especially in far-flung areas, and stimulate economic growth through the digital empowerment of the people, shall also be given priority.

The partnership between the government and the private sector shall be strengthened in prioritizing and fast-tracking the roll-out of ICT infrastructure across the region. Programs and projects aligned with relevant ICT masterplans shall be prioritized. Among the projects of the government aimed to improve internet accessibility and bridge the growing digital divide is the *Juan Konek! Free Internet Access in Public Places*, initiated by the Department of Information and Communications Technology (DICT). Through this project, free broadband internet access will be provided in public spaces. With internet connectivity readily available, there is better access to education, weather information, agricultural resources, commerce, e-government services, as well as employment through online jobs.

In the province of Cebu, specifically in the cities of Cebu and Naga and the municipality of San Francisco, a total of 21 sites including public schools, parks, public libraries, rural health units and government offices had been provided free internet Wi-Fi access. The project shall be expanded to cover more public spaces, especially those located in unserved areas of Bohol, Cebu, Negros Oriental and Siquijor. Considering the scope of the project and the geography of the country, the government, through DICT, shall implement the Offline Internet for Remote Areas (OIRA) Service. The OIRA Service involves providing direction to persons seeking information to digital "bookshelves and newsstands". The OIRA service is envisioned to use a geostationary broadcast satellite covering the entirety of the Philippines with low-cost lowpower caching servers fitted with appropriate satellite receivers and Wi-Fi access points, to receive the broadcast signal and provide user access via Wi-Fi that would serve as the bookshelves and newsstands.

Intensify utilization of ICT for good governance. The use of ICT in the delivery of services to the public shall be given emphasis since it leads to an improved delivery, and greater efficiency and effectiveness of services to the public. An ICT-enabled government allows the citizens easy access to information and services anytime and anywhere as well as create transparency and accountability in government operations. The use of the National Government Portal (NGP) and the Deduping and Matching Application (DMA), which serve as the backbone of an interoperable and interconnected e-Government, shall be pushed to improve not only inter-agency collaboration but also the delivery of services to citizens. The NGP is a onestop-shop of online services designed to simplify transactions in government, avoid crowding in offices and minimize red tape. As a unified portal,

it allows users to transact with government and seek information and data. The DMA will be used in the creation of the person information registry, a streamlined database of citizens and people interacting with the Philippine government. The DMA will remove duplicates in databases and merge and match them with the authenticated record. The application is expected to improve the quality of data in government.

The Technology for Education, Employment, Entrepreneurs, and Economic Development (Tech4ED) Project, a national digital inclusion initiative establishing eCenters that provide critical e-government and ICT-enabled services in communities with minimal or no access to information and government services, shall also be given attention.

Pursue the creation of a regional ICT Committee. The creation of a regional ICT Committee will improve coordination of ICTrelated policies, plans, programs, and projects in the region.

Social Infrastructure

Basic Education

Expand the Basic Education Facilities Fund (**BEFF**). The BEFF is one of the indicative flagship programs of the administration. It is utilized to address the classroom, water and sanitation facilities and furniture shortages based on the Basic Education Information System (BEIS). School buildings/classrooms under the program are constructed as complete with facilities (including toilets) and in standard design structures including accessibility features for pupils/students with disabilities.

Strengthen multi-stakeholder collaborative partnerships in the provision of school facilities. Multi-stakeholder collaborative partnerships in education will be strengthened through the expansion of the Adopt-A-School Program that gives private institutions and individuals the opportunity to become partners in addressing the resource needs, upgrading and modernization of schools including technology support and maintenance. Private sector involvement in the provision of school facilities will be continued to supplement the School building Program initiatives of the government.

Increase budget allocation for the School Building Program (SBP) and prioritize construction of classrooms in school divisions with high classroom-pupil/student ratio. Increased annual budget allocation for school building/classrooms shall be pursued in the light of the magnitude of financial resources needed to repair/construct additional requirements of the K-12 Program. The increase in the annual budget for SBP shall cover expenses for insurance against fire, earthquake and other calamities and additional cost for the inclusion of a rain water catchment in the design of the school building. Construction of school buildings shall be prioritized for schools under the school divisions of Cebu City, Mandaue City, Lapulapu City, Toledo City, Danao City, Tagbilaran City and Cebu Province where the ratio of classroom to pupil/student is higher than the standard.

Intensive use of land for the construction of school building/ classroom. Intensive use of land for the construction of school building/ classroom shall be pursued. Multi-storey design shall be adopted particularly in schools located in urban areas where the lack of available land/space for school building/classroom construction is a concern. The practice on land-banking shall also be jump started by incorporating the cost of land acquisition in the budget of the School Building Program. Land-banking is the practice of allocating and buying parcel of land for future use.

Promote the KALAHI-CIDSS approach in the implementation of the School Building Program. KALAHI-CIDSS approach is a community driven development initiative that seeks to empower communities to achieve improved access to sustainable basic services and

to participate in the more inclusive local government unit planning and budgeting. The adoption of this approach in the implementation of school building construction where targeted beneficiaries are given the opportunity to participate in the planning, budgeting and implementation of projects would hasten delivery of additional education facilities in schools.

Health

Expand the implementation of Health Facility Enhancement Program (HFEP). The HFEP is one of the banner program of the government for the upgrading of health facilities (i.e., barangay health stations, rural health units, government hospitals) through investments in infrastructure and medical equipment and supplies. Through the program, new and improved facilities are being established. These include new birthing centers, animal bites centers, diagnostic centers, and health services such as Basic Emergency Obstetric and Newborn Care (BemoNC), Comprehensive Emergency Obstetric and Newborn Care (CemoNC), and TB DOTS. Expansion of the program shall include construction of rehabilitation centers for drug users.

Pursue private sector participation in the construction, rehabilitation, maintenance, and management of health facilities through PPP scheme. Government shall explore the PPP scheme in the construction, rehabilitation, maintenance and management of public tertiary health facilities to ensure access to quality health services by the poor.

Increase government investment in health infrastructure. Increased public spending on government health infrastructure shall be pursued including land-banking to address the lack of affordable land for the construction/expansion of primary health care facilities. In the construction of these health facilities, the accessibility design shall be adhered.



Chapter 20

Maintaining Ecological Integrity, Clean and Healthy Environment

The attainment of sustainable development requires the region to maintain the integrity of its ecology as this provides the physical basis of the region's progress and survival. The region shall therefore ensure the protection of the environment and natural resources even as it continues to pursue economic progress for its constituents. In this way, a healthier and liveable environment and superior quality of life for the people are ensured.

Assessment and Challenges

The maintenance of ecological integrity requires the region to: conserve, protect, and rehabilitate its natural resources; improve the environmental quality; and build up the adaptive capacity and resilience of communities to disasters. During the period 2010-2016, Central Visayas implemented various programs and projects that contributed to the maintenance of the region's ecological integrity.

Through the National Greening Program (NGP), the region rehabilitated a total of 85,067.14 hectares (ha.) of open and denuded forest land areas, exceeding its target of 81,833 ha. by 3.95 percent. The program attained 92 percent survival rate for the planted trees, and generated more than 250,000 jobs for its intended beneficiaries. The region also sustained the management and protection of its 30,443 ha. of forest land.

In the management of terrestrial and marine protected areas, Central Visayas effectively and equitably managed a total of 55,842 hectares of terrestrial protected areas and 1,504.66 hectares

of marine protected areas. The region likewise undertook measures to rejuvenate 3,031 hectares of degraded coral reefs within the National Integrated Protected Areas System (NIPAS). Protection measures such as re-stocking, removal of underwater debris, and fixing of damaged settlement materials were conducted in some identified degraded and severely damaged coral reef areas.

In the case of public agricultural A&D (alienable and disposable) lands, a total of 10,871 beneficiaries were provided with secured land tenure, exceeding by 8.71 percent the 10,000 beneficiaries targetted for 2015. Another 2,611 beneficiaries were granted secured land tenure in residential lands that were zoned as residential areas in 2015.

Based on the standard Air Quality Indices set forth in the Implementing Rules and Regulations of the Clean Air Act (Republic Act No. 8749), the air quality in Region 7 is in "fair" condition. In addition, there had been no serious threat for people suffering from respiratory illnesses.

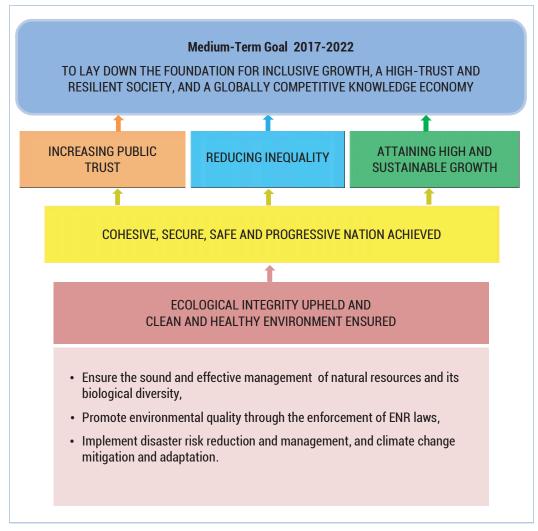
Notwithstanding the gains in maintaining ecological integrity, the region continues to face

several environmental challenges. Among these are the continued illegal cutting of trees and timber harvesting which diminished the gains of NGP, the growing scarcity of water particularly in highly urbanized areas such as Metro Cebu due to unmanaged urbanization and the adverse impact of climate change, deteriorating water quality due to water pollution, the encroachment of settlements in the region's watersheds and protected areas, and low productivity in fisheries due to over fishing. Further efforts are needed to ensure the sustainable management of the region's environment and natural resources.

Strategic Framework

Ensuring ecological integrity, and a clean and healthy environment is an essential foundation supporting the three main pillars of the RDP: increasing public trust in government, reducing inequality, and attaining high and sustaining economic growth. Policies and designs that preserve environmental functions and protect the region's natural resources will thus be promoted. The region will also develop the capability of communities on disaster risk reduction and management.

Figure 20.1 Strategic Framework to Ensure Ecological Integrity, Clean and Healthy Environment, 2017-2022



Strategies

Central Visayas shall protect the integrity of the environment and natural resources, and develop the capability of communities on disaster risk reduction and management (DRRM) through the following strategies:

Ensure the sound and effective management of natural resources, including land and forest resources, water and coastal resources, mineral resources and its biological diversity. In terms of land resource management, the following shall be pursued during the plan period: formulation, approval and implementation of Protected Area Management Plans; implementation of watershed management, soil conservation and agro-forestry; promotion of sustainable agriculture (e.g. Sloping Agricultural Land Technology); and implementation of the Land Survey and Titling Program.

In the area of forest resource management, the region shall pursue the following: establishment of commercial tree plantations and agro-forestry community parks; institutionalization and incorporation of the Forest Land Use Plan in the Comprehensive Land Use Plans (CLUPs) of LGUs; enhancement of the Community-based Forest Management, Protected Area Community-Based Resource Management Agreement (PACBRMA), and Special Agreement on Protected Areas (SAPA); implementation of reforestation using indigenous species; and strengthening of the multisectoral "Bantay Kalasangan" task groups.

The management of the region's water resources shall be enhanced through the institutionalization of the Integrated Water Resources Management Plans by the LGUs, and the strengthening of their institutional capacity for water resource management. The region shall also undertake the stabilization/rehabilitation of river banks and other inland waters through greenbelts or the planting of ornamental plants and deep-rooted trees. The region shall advocate for the Ridge-to-Reef approach to the management of the region's watersheds in order to focus the various interventions on reducing hillside deforestation, pollution and soil erosion through integrated approaches which address natural and man-made causes of land and water quality degradation.

The region shall effectively manage its rich coastal resources through the strict enforcement of coastal laws, rules and regulations under the Philippine Fisheries Code of 1998. The region shall also facilitate the updating and integration of the Coastal Resource Management Plan and zoning ordinances in the CLUPs of LGUs. The region shall pursue the establishment of more marine and fish sanctuaries to supplement existing ones. It shall also ensure the protection of the Danajon Double Barrier Reef and the Tañon Strait Protected Seascape.

In maintaining its biological diversity, the region shall work for the development of the biodiversity database and monitoring system. The database shall provide the bases for the enhanced implementation of biodiversity conservation. The region shall also institutionalize the involvement of LGUs and the local communities in biodiversity management. An integral part of the promotion of biological diversity is the protection of the region's wildlife through the strict enforcement of the existing laws on wildlife.

Promote environmental quality through the enforcement of ENR Laws. The region, through the environmental government agencies and in partnership with various stakeholders, will pursue the implementation of policies prescribed by the Solid Waste Management Act, the Clean Air Act, the Clean Water Act, and other legislations enacted to protect the region's environment and natural resources (ENR).

Given the prevalence of problems related to solid waste particularly in the urban centers, the region will ensure the full implementation of the Solid Waste Management Act (Republic Act No. 9003). Technical assistance will be provided to LGUs in the establishment of clustered sanitary landfill and materials recovery facilities.

Technical assistance will also be provided to facilitate compliance by LGUs of the preparation of the Solid Waste Management Plan (SWMP). In line with this, the region will lobby for the decentralization of the approval process of the SWMPs to facilitate compliance by the LGUs.

With the volume of wastes generated in the urban centers, the region will explore the environmental viability of putting up waste-to-energy facilities as well as the adoption of modern incineration technologies.

Improving the quality of life also requires the improvement of the region's air and water quality. Strict monitoring of air and water quality will be facilitated with the institutionalization of air and water quality monitoring in all provinces and cities. Greenhouse gas emissions of power plants, vehicles and factories particularly in the urban areas will also be monitored as a means of mitigating climate change.

Implement disaster risk reduction and management (DRRM) and climate change mitigation and adaptation. The region will vigorously pursue the policies enunciated in the Philippine Disaster Risk Reduction and Management Act of 2010 (Republic Act No. 10121) and the Climate Change Act of 2009 (Republic Act No. 9729). In line with this, the region will ensure that disaster risk reduction (DRR) and climate change adaptation (CCA) are mainstreamed in the physical, land use, and sectoral development plans of the LGUs. Technical assistance will be provided to LGUs in the utilization of hazard maps and the conduct of risks and vulnerability assessments to improve DRR/CCA planning at the local level. Related to this, technical assistance will also be provided to LGUs in accessing and utilizing climate finance and DRR-related funds.

The regional and local Disaster Risk Reduction and Management Councils (DRRMCs) will be strengthened by taking into consideration the paradigm shift in DRRM towards disaster prevention. The DRRMCs will therefore be capacitated in terms of undertaking long-term planning and investments to reduce the underlying risk factors in order to reduce the impact of natural and human-induced hazards. Capacity-building will give emphasis on reducing disaster risks through investments in poverty-reduction, risksensitive land use planning, and sustainable development.

In pursuing DRR/CCA, the region will also pursue the Ecosystem-based DRR (Eco-DRR) and Ecosystem Based Adaptation (EBA) in combination with or addition to the classical DRR/ CCA interventions. The Eco-DRR/EBA are interventions that combine the natural resources management approaches, or the sustainable management of the ecosystems, with DRR and CCA.

Legislative Agenda

The region will support the legislative agenda outlined in Table 20.1, most of which are identified in the PDP 2017-2022, which are needed to strengthen the effectiveness of the regional strategies.

Table 20.1 Legislative Agenda to Ensure Ecological Integrity, Clean and He	ealthy
Environment, 2017-2022	

LEGISLATIVE AGENDA	RATIONALE
Protection of the integrity of the environmen	t
Amendment of Water Code	The proposed amendment shall include providing a legal framework for the institutionalization and operationalization of Integrated Water Resources Management to respond to current trends and challenges such as climate variability affecting water supply and availability, as well as address institutional gaps and weaknesses.
National Land Use Act	The proposed Act shall address the urgency to provide rationalized land use planning in the country, consolidate national laws on land uses, and address long-standing land use conflicts.
Establishment of Biodiversity Database and Monitoring System	The database shall provide the bases for the enhanced implementation of biodiversity conservation. The involvement of the LGUs and the local communities shall be institutionalized in biodiversity management and monitoring.
Review of Solid Waste Management Law	The review shall include the decentralization of the approval process of solid waste management plans (SWMPs) to the DENR regional offices.
Disaster risk reduction and management and	climate change mitigation and adaptation
Review of the Philippine Disaster Risk Reduction and Management Act of 2010 (Republic Act No. 10121)	The review of the Philippine Disaster Risk Reduction and Management Act shall consider the creation of an Independent DRRM Agency or Authority to serve as the primary government institution responsible for overseeing, coordinating, and implementing a comprehensive DRRM program. Alternative and modern methods or technologies to manage/dispose of wastes shall also be explored.

PART VII FROM PLAN TO ACTION



Chapter 21

Plan Implementation and Monitoring

The Central Visayas Regional Development Plan (RDP) 2017-2022 is the first mediumterm plan to operationalize AmBisyon Natin 2040, which is the long-term vision of the country. Effectively implementing the RDP calls for efficient coordination among government agencies and local government units in the region, the private sector, and development partners. During the plan implementation period, the efficiency and effectiveness of the various strategies and programs discussed throughout the Plan will be monitored. Thus the Plan will be assessed on a regular basis through the preparation of the annual Regional Development Report (RDR). The RDR will assess the accomplishments of the various sectors in the plan and their outputs and outcomes. The RDR will also identify major challenges and bottlenecks that impede plan implementation and recommend measures to address these in the next planning year.

Headline indicators will be monitored by the NEDA Regional Office (NRO), as secretariat of the RDC using data from the PSA. These indicators include the following: a) gross regional domestic product; b) per capita income; c) poverty incidence and magnitude; and d) employment rate, unemployment rate, and underemployment rate. To the extent possible, data shall be made available by province.

The NRO will work closely with the various government agencies, local government units and the private sector in ensuring implementation of the identified strategies, policies, programs, and projects in the RDP.

The four Sectoral Committees of the RDC will be the anchor coordinative mechanism which will serve as the venue for discussing these concerns including the monitoring of outputs and outcomes and progress in the implementation of the RDP. The progress reports will then be reported to the RDC Full Council (*see Table 21.1*). The RDC Development Administration Committee (DAC) in collaboration with the Regional Land Use Committee (RLUC) will oversee the implementation and monitoring of the strategies, programs and projects under Chapter 3 of the RDP which focuses on economic growth, demographic trends and physical characteristics. The DAC will likewise oversee the implementation and monitoring of the strategies, programs and projects of the following chapters: a) Chapter 5, ensuring people-centered clean and efficient governance; b) Chapter 6, pursuing swift and fair administration of justice; c) Chapter 17, attaining just and lasting peace; and d) Chapter 18, ensuring security, public order and safety.

The RDC Social Development Committee (SDC) will oversee the implementation and monitoring of the strategies, programs and projects of the following chapters: a) Chapter 7, promoting Philippine culture and values; b) Chapter 10, accelerating human capital development;

c) Chapter 11, reducing vulnerability of individuals and families; d) Chapter 12, building safe and secure communities; and e) Chapter 13, reaching for the demographic dividend. The SDC will collaborate with the Regional Disaster Risk Reduction and Management Council (RDRRMC) especially with the Subcommittee on Disaster Preparedness to ensure proper implementation of Chapter 12. The SDC will also work closely with various committees under the DSWD, such as the Regional Council for the Welfare of Children (RCWC), Regional Inter-Agency Committee for Older Persons (RIACOP), Regional Inter-Agency Committee on the Filipino Family (RIACFF) and Expanded Regional Advisory Committee (ERAC) on the 4Ps, to ensure the effective implementation of strategies, programs and projects under Chapter 11 and Chapter 13. In addition, the Regional Implementation Team of RA 10354 (Responsible Parenthood and Reproductive Health Law) through the Commission on Population will be actively involved in making sure that policies and programs are implemented so that the country can take advantage of the demographic dividend (Chapter 13).

The RDC Economic Development Committee (EDC) will be the main coordination mechanism that will oversee the implementation of the strategies, programs and projects and the tracking of achievements of the major production sectors. These include the following chapters of the RDP: a) Chapter 8, agriculture, fisheries and forestry; b) Chapter 9, industry and services; c) Chapter 14, science technology and innovation; and d) Chapter 20, ecological integrity, clean and healthy environment. The DOST will be at the forefront of carrying out the strategies, programs and projects under Chapter 14 especially under its technology transfer policy.

To support the productive sectors, the Infrastructure Development Committee (IDC) of the RDC will focus on the implementation and monitoring of the infrastructure strategies, programs and projects in the RDP, through the lead agencies, namely: a) transportation (Department of Transportation and Department of Public Works and Highways); b) power/energy (Department of Energy); c) water supply, flood control, irrigation (water districts, DPWH and National Irrigation Administration); d) information and communications technology (Department of Information and Communications Technology); and e) social infrastructure.

The NEDA Board Infrastructure Committee (InfraCom), which serves as the Planning Committee for Infrastructure Development, will pay close attention to the implementation of infrastructure strategies and interventions. In monitoring the progress of Plan implementation, the InfraCom, through the NEDA Secretariat, will focus on the five infrastructure areas and coordinate with the identified lead agency per strategic infrastructure area namely: a) transport (DOTr); b) water (DPWH, NWRB); c) energy (DOE); d) information and communications technology (DICT); and (e) social and rural infrastructure (DPWH, DepEd, DOH, DA).

The RDC as the highest policy making and overall development coordinating body in the region will closely collaborate with the Office of the Presidential Assistant for the Visayas (OPAV) in ensuring full implementation of the RDP especially on matters that will require action from the Office of the President (OP).

Ultimately, communication and stakeholders engagement will be important to generate support and cooperation among stakeholders and the general public. The NEDA Regional Office as RDC Secretariat will spearhead a communication and engagement program, and work with other regional entities, public and private, such as the Philippine Information Agency and the Association of Government Information Officers (AGIO) of Central Visayas to inform and actively engage the stakeholders throughout the Plan period.

RDP CHAPTER	COORDINATION MECHANISM
Chapter 3: Overlay of Economic Growth, Demographic Trends, and Physical Characteristics	Regional Land Use Committee and Development Administration Committee
Chapter 4: Overall Framework and Plan Targets	Regional Development Council and National Economic and Development Authority
Chapter 5: Ensuring People-Centered, Clean, and Efficient Governance	Development Administration Committee
Chapter 6: Pursuing Swift and Fair Administration of Justice	Development Administration Committee
Chapter 7: Promoting Philippine Culture and Values	Social Development Committee
Chapter 8: Expanding Economic Opportunities in Agriculture, Forestry and Fisheries	Economic Development Committee
Chapter 9: Expanding Economic Opportunities in Industry and Services	Economic Development Committee
Chapter 10: Accelerating Human Capital Development	Social Development Committee
Chapter 11: Reducing Vulnerability of Individuals and Families	Social Development Committee
Chapter 12: Building Safe and Secure Communities	Social Development Committee and Regional Disaster Risk Reduction and Management Council
Chapter 13: Reaching for the Demographic Dividend	Social Development Committee
Chapter 14: Advancing Science, Technology, and Innovation	Economic Development Committee/Department of Science and Technology
Chapter 17: Attaining Just and Lasting Peace	Development Administration Committee
Chapter 18: Ensuring Security, Public Order and Safety	Development Administration Committee
Chapter 19: Accelerating Strategic Infrastructure Development	Infrastructure Development Committee

 Table 21. 1
 Coordination Mechanism for Plan Implementation and Monitoring

LIST OF ACRONYMS

A & D	Alienable and Disposable	DepEd
AAGR	Average Annual Growth Rate	DICT
AEC	ASEAN Economic Community	
AFF	Agriculture, Forestry and	DILG
	Fisheries	
AFP	Armed Forces of the Philippines	DOE
ARBs	Agrarian Reform Beneficiaries	DOH
ARTA	Anti-Red Tape Act	DOJ
ASEAN	Association of Southeast Asian	DOLE
	Nations	
BEFF	Basic Education Facilities Fund	DOST
BEIS	Basic Education Information	
	System	DOST-GIA
BEmONC	Basic Emergency Obstetric and	
	Newborn Care	
BIPCOR	Bantayan Island Power	DOT
	Corporation	DOTr
BSWM	Bureau of Soils and Water	DPWH
	Management	
BUB	Bottom-Up Budgeting	DRR
CBFM	Community-Based Forest	DRRM
	Management	
CBMS	Community-Based Monitoring	DRRMC
	System	
CEmONC	Comprehensive Emergency	DRRM/CCA
	Obstetric and Newborn Care	
CHED	Commission on Higher	
	Education	DSWD
CLUP	Comprehensive Land Use Plan	
CR+ID	Coordination Roads and	DTI
	Infrastructure Investments for	
	Development	DU
CSC	Civil Service Commission	EC
CV RDRA	Central Visayas Regional	EDC
	Development Research Agenda	
DA	Department of Agriculture	ENR
DAC	Development Administration	
	Committee	FDI
DBM	Department of Budget and	FIT
	Management	FMR
DENR	Department of Environment and	GAD
	Natural Resources	GCI

DepEd	Department of Education
DICT	Department of Information and
	Communications Technology
DILG	Department of the Interior and
	Local Government
DOE	Department of Energy
DOH	Department of Health
DOJ	Department of Justice
DOLE	Department of Labor and
	Employment
DOST	Department of Science and
	Technology
DOST-GIA	Department of Science and
	Technology Grants in Aid
	Program
DOT	Department of Tourism
DOTr	Department of Transportation
DPWH	Department of Public Works and
21 11 11	Highways
DRR	Disaster Risk Reduction
DRRM	Disaster Risk Reduction and
Diddi	Management
DRRMC	Disaster Risk Reduction and
Diadale	Management Council
DRRM/CCA	Disaster Risk Reduction
	Management and Climate
	Change Adaptation
DSWD	Department of Social Welfare and
DOWD	Development
DTI	Department of Trade and
	Industry
DU	Distribution Utilities
EC	Electric Cooperative
EDC	Economic Development
	Committee
ENR	Environment and Natural
	Resources
FDI	Foreign Direct Investment
FIT	Feed-In Tariff
FMR	Farm-to-Market Road
GAD	Gender and Development
GCI	Global Competitiveness Index
	Giobar Competitiveness muex

GDP	Gross Domestic Product	MCWD	Metropolitan Cebu Water
GRDP	Gross Regional Domestic		District
GIUT	Product	MDG	Millennium Development Goal
GVA	Gross Value Added	MSME	Micro, Small and Medium
HEI	Higher Education Institution		Enterprises
HFEP	Health Facility Enhancement	MSMEDC	Micro, Small and Medium
	•	MONILDC	
	Program Human Immunodoficionay Virus	MTB-MLE	Enterprises Development Council Mother Tongue Based-
HIV-AIDS	Human Immunodeficiency Virus-	WIID-WILE	e e
	Acquired Immune Deficiency	NIAMDIA	Multilingual Education
	Syndrome	NAMRIA	National Mapping and Resource
HLURB	Housing and Land Use Regulatory	NOD	Information Authority
	Board	NCIP	National Commission on
HRD	Human Resource Development		Indigenous Peoples
HRHN	Human Resource for Health	NCR	National Capital Region
	Network	NEA	National Electrification
HUC	Highly Urbanized City		Administration
HUDCC	Housing and Urban Development	NEDA	National Economic and
	Coordinating Council		Development Authority
ICT	Information and	NEDA INFRA	COM NEDA Board Committee on
	Communications Technology		Infrastructure
IEC	Information, Education and	NGA	National Government Agency
	Communication	NGCP	National Grid Corporation of the
ILHZ	Inter-local Health Zones		Philippines
ΙοΤ	Internet of Things	NGO	Non-Government Organization
IP	Indigenous Peoples	NGP	National Greening Program
IPR	Intellectual Property Rights	NHA	National Housing Authority
IRA	Internal Revenue Allotment	NIPAS	National Integrated Protected
IRR	Implementing Rules and		Area System
	Regulations	NPS	National Prosecution Service
IT-BPM	Information Technology -	NREP	National Renewable Energy
	Business Process Management		Program
ITSO	Innovation and Technology	NSS	National Spatial Strategy
	Support Office	NWRB	National Water Resources Board
JICA	Japan International Cooperation	ODA	Official Development Assistance
	Agency	OF	Overseas Filipinos
JV	Joint Venture	OFW	Overseas Filipino Worker
	SS Kapit-bisig Laban sa Kahirapan-	OPAV	Office of the Presidential Assistant
	Comprehensive and Integrated		for the Visayas
	Delivery of Social Services	ORSP	Office of the Regional State
KDC	Knowledge Development Center	UNU	Prosecutor
KPO	Knowledge Process Outsourcing	OSHS	Occupational Safety and Health
KSA	Key Shelter Agencies	00110	Standards
LDC	Local Development Council	OWWA	Overseas Workers Welfare
LGC	Local Government Code	U 11/1	Administration
LGU	Local Government Unit	PAGASA	Philippine Atmospheric,
LOU	Local Project Monitoring	monor	Geophysical and Astronomical
	Committee		Services Administration
LPOC	Local Peace and Order Council	PCA	Philippine Coconut
MAO	Municipal Agriculture Office	1 0/1	Administration
141110	manieipai Agriculture Office		

PCC	Philippine Competition	RPC	Regional Productivity Council
	Commission	RPMC	Regional Project Monitoring
PCIC	Philippine Crop Insurance		Committee
	Corporation	RPRH	Responsible Parenthood and
PDP	Philippine Development Plan		Reproductive Health
PESO	Public Employment Service	RPT	Real Property Tax
	Office	S & T	Science and Technology
PEZA	Philippine Economic Zone	SAFDZ	Strategic Agricultural Fisheries
	Authority		Development Zone
PFM	Public Financial Management	SBP	School Building Program
PHIVOLCS	Philippine Institute of	SCADA	Supervisory Control and Data
	Volcanology and		Acquisition
	Seismology	SDA	Sustainable Development
PIA	Philippine Information Agency		Agenda
PIDS	Philippine Institute for	SDC	Social Development Committee
	Development Studies	SETUP	Small Enterprise Technology
PIOU	Private Investor-Owned		Upgrading Program
	Utilities	SGLG	Seal of Good Local Governance
PNP	Philippine National Police	SIPCOR	Siquijor Island Power
POC	Peace and Order Council		Corporation
PPA	Philippine Ports Authority	SLT	Schools for Living Traditions
PPP	Public-Private Partnership	SME	Small and Medium Enterprises
PRDP	Philippine Rural Development	SP	Social Protection
	Program	SPUG	Small Power Utilities Group
PSA	Philippine Statistics Authority	SPMS	Strategic Performance
PWD	Persons with Disability		Management System
R & D	Research and Development	SRS	Skills Registry System
RDC	Regional Development Council	SSS	Social Security System
RDP	Regional Development Plan	STI	Science, Technology and
RDRC	Regional Development Research		Innovation
	Committee	SUC	State Universities and Colleges
RDRRMC	Regional Disaster Risk	SWM	Solid Waste Management
	Reduction and Management	TESDA	Technical Education and Skills
	Council		Development Authority
RE	Renewable Energy	TVET	Technical and Vocational
RLUC	Regional Land Use Committee		Education and Training
ROW	Road-Right-of-Way	UDHA	Urban Development and
			Housing Act
		USC	University of San Carlos
		WHO	World Health Organization
		YAFSS	Young Adult Fertility and
			Sexuality Survey

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www.neda.region7.cebu@gmail.com