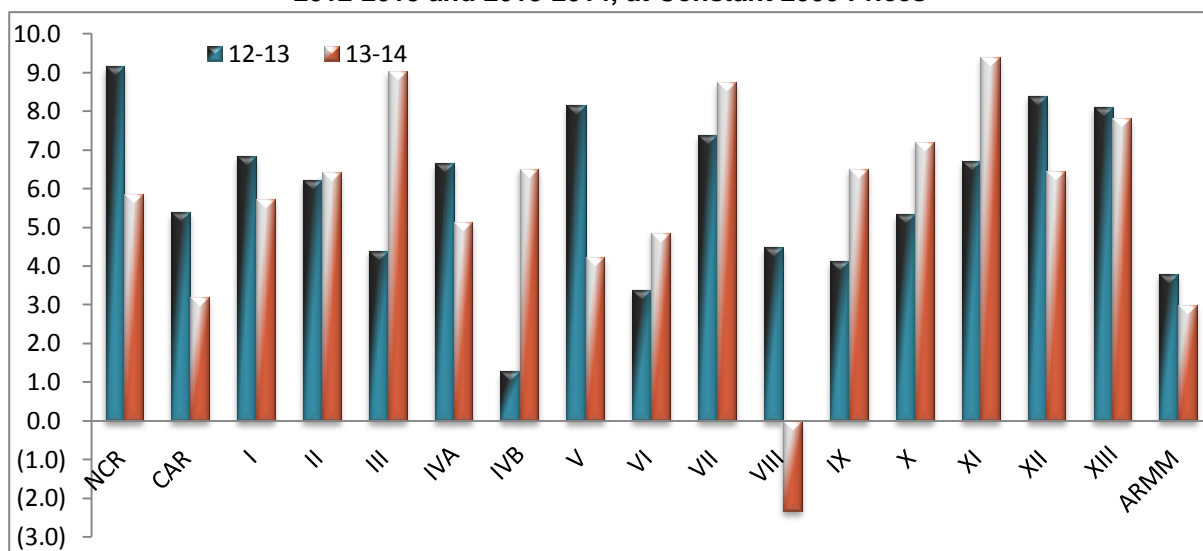




## Northern Mindanao Economy on an Upswing as Industry and Services Improve

The Gross Regional Domestic Product (GRDP) of Northern Mindanao expanded at a faster pace from 5.3 percent in 2013 to 7.2 percent in 2014. The expansion was attributed to the accelerated growth in the Industry and Service sectors.

**Figure 1. Growth Rates of Regional Economies:  
2012-2013 and 2013-2014, at Constant 2000 Prices**



Among the three major economic sectors, Services was the most improved sector which grew from 5.5 percent to 8.0 percent in 2014. Meanwhile, the Industry sector accelerated from 6.8 percent to 9.0 percent. AHFF, on the other hand, grew at a steady rate of 3.2 percent. (Table 1)

The accelerated growth in Services was mainly attributed to the improved performance of all of its subsectors except TSC and Financial Intermediation. Trade and repair of motor vehicles, which comprised 36.3% of the Service sector, expanded by 10.2 percent in 2014 due to the improved performance in both wholesale and retail. Likewise, RERBA improved from 7.7 percent to 12.0 percent due to the expansion of renting and business activities; Other Services also grew further from 4.4 percent to 6.0 percent and so did PAD from 5.3 to 6.2 percent. (Table 1)

The improved performance in the Industry sector was mainly attributed to the upsurge of Construction which accelerated from 5.8 percent in 2013 to 29.3 percent in 2014.



Similarly, Mining and Quarrying accelerated from 3.2 percent in 2013 to 10.1 percent in 2014. Manufacturing, however, experienced a slowdown from 9.3 percent to 5.8 percent. Food manufacturing, which constituted 65% of the region's manufacturing industry, recorded a deceleration in 2014. EGWS declined further from 0.2 percent in 2013 to 0.3 percent in 2014 due to the decline of power generation in the region in 2014. (Table 1)

**Table 1. NORTHERN MINDANAO GRDP BY INDUSTRIAL ORIGIN, GROWTH RATES: 2012-2013 & 2013-2014 (at constant 2000 prices, in percent)**

INDUSTRY/YEAR	12-13	13-14
<b>NORTHERN MINDANAO GRDP</b>	<b>5.3</b>	<b>7.2</b>
<b>I. AGRI., HUNTING, FORESTRY &amp; FISHING</b>	<b>3.2</b>	<b>3.2</b>
a. Agriculture and Forestry	1.9	3.7
b. Fishing	13.0	(0.9)
<b>II INDUSTRY SECTOR</b>	<b>6.8</b>	<b>9.0</b>
a. Mining and Quarrying	3.2	10.1
b. Manufacturing	9.3	5.8
c. Construction	5.8	29.3
d. Electricity, Gas and Water Supply	(0.2)	(0.3)
<b>III SERVICE SECTOR</b>	<b>5.5</b>	<b>8.0</b>
a. Transport, Storage & Communication	6.6	4.4
b. Trade and Repair of Motor Vehicles, Motorcycles, Personal and Household Goods	3.9	10.2
c. Financial Intermediation	9.7	7.3
d. R. Estate, Renting & Business Activities	7.7	12.0
e. Public Administration & Defense; Compulsory Social Security	5.3	6.2
f. Other Services	4.4	6.0

AHFF grew at a steady rate of 3.2 percent in 2014. Agriculture and Forestry accelerated from 1.9 percent in 2013 to 3.7 percent in 2014 which was attributed by the accelerated growth in plantation crops such as banana and pineapple. Fishing, on the other hand, contracted from 13.0 percent in 2013 to 0.9 percent in 2014 due to the decrease in tiger prawn production.



## Structure of the Regional Economy

The economy of Region 10 is predominantly services-based. Services remained to have the biggest share in the region's economy at 42.0 percent, followed by Industry with a share of 34.6 percent. The share of AHFF decreased from 24.3 percent in 2013 to 23.4 percent in 2014 while the shares of Industry and Services continued to increase in 2014. (Table 2)

**Table 2. NORTHERN MINDANAO GRDP BY INDUSTRIAL ORIGIN, PERCENT DISTRIBUTION: 2012-2014 (at constant 2000 prices)**

INDUSTRY/YEAR	2012	2013	2014
<b>NORTHERN MINDANAO GRDP</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>I. AGRI., HUNTING, FORESTRY &amp; FISHING</b>	<b>24.8</b>	<b>24.3</b>	<b>23.4</b>
a. Agriculture and Forestry	21.9	21.2	20.5
b. Fishing	2.9	3.1	2.8
<b>II INDUSTRY SECTOR</b>	<b>33.6</b>	<b>34.0</b>	<b>34.6</b>
a. Mining and Quarrying	0.4	0.4	0.4
b. Manufacturing	20.5	21.3	21.0
c. Construction	6.1	6.2	7.4
d. Electricity, Gas and Water Supply	6.5	6.2	5.8
<b>III SERVICE SECTOR</b>	<b>41.6</b>	<b>41.7</b>	<b>42.0</b>
a. Transport, Storage & Communication	7.3	7.4	7.2
b. Trade and Repair of Motor Vehicles, Motorcycles, Personal and Household Goods	15.1	14.8	15.3
c. Financial Intermediation	3.3	3.5	3.5
d. R. Estate, Renting & Business Activities	4.9	5.0	5.3
e. Public Administration & Defense; Compulsory Social Security	3.3	3.3	3.2
f. Other Services	7.7	7.7	7.6

Among the subsectors, the three biggest subsectors in 2014 were the following: Manufacturing which accounted for 21.0%, followed by Agriculture and Forestry accounting 20.5% and Trade which accounted for 15.3%. It can be seen that Region 10 has a balanced economy with the major economic sectors (AHFF, Industry and Services) represented by the three biggest subsectors. (Table 2)

### Contribution to GRDP Growth

The Service sector was the largest contributor to the economic growth of Northern Mindanao in 2014 contributing 3.4 percentage points to the 7.2 percent growth in 2014. Industry followed with a contribution of 3.1 percentage points and AHFF with 0.8 percentage point.

Among the subsectors, the top three contributors to region's economic growth were: Construction which contributed 1.8 percentage points, Trade contributed 1.5 percentage points and Manufacturing contributed 1.2 percentage points. (Table 3)

**Table 3. NORTHERN MINDANAO GRDP BY INDUSTRIAL ORIGIN, CONTRIBUTION TO GROWTH: 2012-2014 (at constant 2000 prices)**

INDUSTRY/YEAR	12-13	13-14
<b>NORTHERN MINDANAO GRDP</b>	<b>5.34</b>	<b>7.19</b>
<b>I. AGRI., HUNTING, FORESTRY &amp; FISHING</b>	<b>0.79</b>	<b>0.77</b>
a. Agriculture and Forestry	0.42	0.79
b. Fishing	0.37	(0.03)
<b>II INDUSTRY SECTOR</b>	<b>2.27</b>	<b>3.07</b>
a. Mining and Quarrying	0.01	0.04
b. Manufacturing	1.92	1.24
c. Construction	0.35	1.81
d. Electricity, Gas and Water Supply	(0.01)	(0.02)
<b>III SERVICE SECTOR</b>	<b>2.28</b>	<b>3.35</b>
a. Transport, Storage & Communication	0.48	0.33
b. Trade and Repair of Motor Vehicles, Motorcycles, Personal and Household Goods	0.58	1.51
c. Financial Intermediation	0.32	0.25
d. R. Estate, Renting & Business Activities	0.38	0.60
e. Public Administration & Defense; Compulsory Social Security	0.17	0.20
f. Other Services	0.34	0.46



## Region 10 vis-à-vis Other Regions

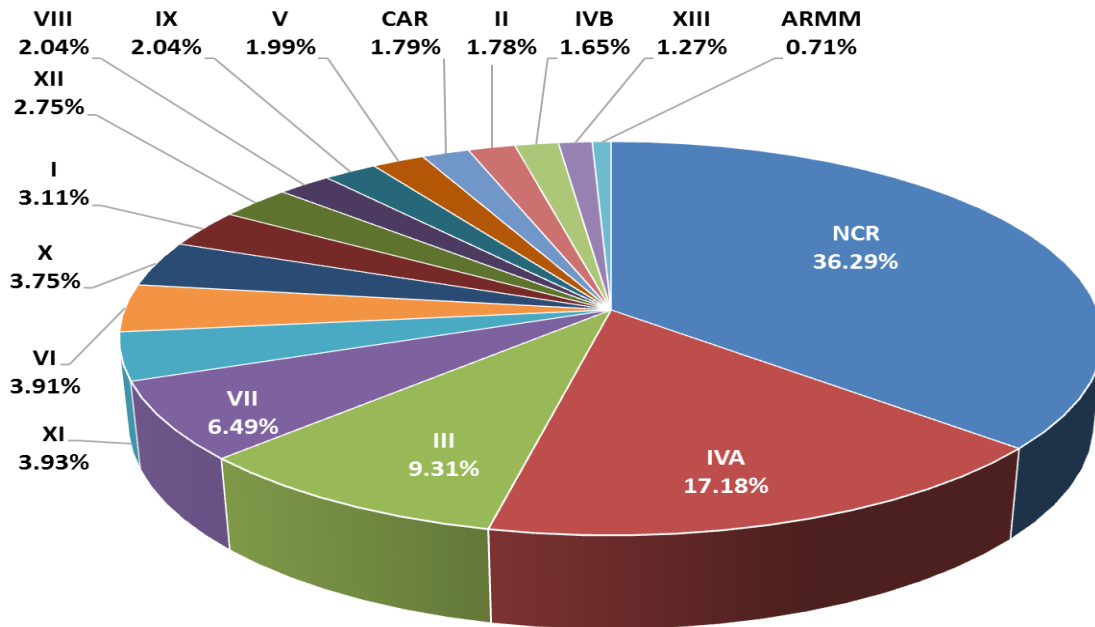
Region 10 was one of the top 5 fast growing regional economies in the Philippines in 2014. It improved its rank in terms of growth rate, from rank 11 in 2013 to rank 5 in 2014. (Table 4)

Region 10 was one of the 8 regional economies which posted accelerated growth rates. Region 10's growth rate improved by 1.9 percentage points from its recorded growth rate in the previous year. (Table 4)

**Table 4. GROWTH RATES OF REGIONAL ECONOMIES: 2013 & 2014**  
(at constant 2000 prices, in percent)

REGION	GROWTH RATE	
	2012-2013	2013-2014
NCR METRO MANILA	9.2	5.9
CAR CORDILLERA	5.4	3.2
I ILOCOS	6.8	5.7
II CAGAYAN VALLEY	6.2	6.4
III CENTRAL LUZON	4.4	9.0
IVA CALABARZON	6.7	5.1
IVB MIMAROPA	1.3	6.5
V BICOL	8.1	4.2
VI WESTERN VISAYAS	3.4	4.9
VII CENTRAL VISAYAS	7.4	8.8
VIII EASTERN VISAYAS	4.5	(2.3)
IX ZAMBOANGA PENINSULA	4.1	6.5
<b>X NORTHERN MINDANAO</b>	<b>5.3</b>	<b>7.2</b>
XI DAVAO REGION	6.7	9.4
XII SOCCSKSARGEN	8.4	6.4
XIII CARAGA	8.1	7.8
ARMM MUSLIM MINDANAO	3.8	3.0

**Figure 2. PERCENT DISTRIBUTION OF REGIONAL ECONOMIES: 2014**  
(at constant 2000 prices)



In terms of percentage share in the Philippine economy, Northern Mindanao had the seventh biggest share of 3.75%. In other words, Region 10 was the seventh biggest regional economy in 2014.

**Table 5. PER CAPITA GRDP & PER CAPITA INDEX WITH REFERENCE TO THE NATIONAL AVERAGE: 2014 (at constant 2000 prices)**

REGION	PER CAPITA GRDP (in pesos)		2014 PER CAPITA INDEX
	2013	2014	
<b>PHILIPPINES</b>	<b>68,741</b>	<b>71,726</b>	<b>100.0</b>
NCR METRO MANILA	195,070	203,132	283.2
CAR CORDILLERA	72,759	73,908	103.0
I ILOCOS	42,588	44,530	62.1
II CAGAYAN VALLEY	35,462	37,267	52.0
III CENTRAL LUZON	56,528	60,513	84.4
IVA CALABARZON	84,687	86,683	120.9
IVB MIMAROPA	38,138	40,016	55.8
V BICOL	24,005	24,688	34.4
VI WESTERN VISAYAS	35,874	37,162	51.8
VII CENTRAL VISAYAS	59,211	63,351	88.3
VIII EASTERN VISAYAS	34,952	33,743	47.0
IX ZAMBOANGA PENINSULA	37,991	39,826	55.5
<b>X NORTHERN MINDANAO</b>	<b>54,678</b>	<b>57,590</b>	<b>80.3</b>
XI DAVAO REGION	54,188	58,291	81.3
XII SOCCSKSARGEN	41,814	43,578	60.8
XIII CARAGA	33,037	35,142	49.0
ARMM MUSLIM MINDANAO	14,380	14,607	20.4

Northern Mindanao was in the seventh spot among all regions and second among the Mindanao regions in terms of per capita Gross Regional Domestic Product (GRDP) in 2014. Northern Mindanao's per capita GRDP recorded an accelerated growth of 5.3 percent in 2014 from 3.5 percent in 2013. Region 10's per capita index with reference to the national average was registered at 80.3 percent indicating that the region's per capita GRDP is 19.7% lower than the PhP 71,726 national per capita GDP. (Table 5)

### **Northern Mindanao as part of the Mindanao Island Group**

The economy of Mindanao accelerated from 6.3 percent to 7.4 percent in 2014. Three regions in Mindanao, including Region 10, posted accelerated economic growth in 2014. (Table 6)

Among the six regions comprising the Mindanao Island group, Northern Mindanao contributed 1.87 percentage points to Mindanao's economic growth, making it the 2<sup>nd</sup> highest contributor to the island's economic growth following Davao Region with a contribution of 2.51 percentage points. (Table 6)

**Table 6. CONTRIBUTION TO THE GROWTH OF MINDANAO ISLAND GROUP'S ECONOMY: 2013 & 2014 (at constant 2000 prices)**

REGION	GROWTH RATE		CONTRIBUTION TO GROWTH, 2014
	2012-2013	2013-2014	
<b>MINDANAO</b>	<b>6.26</b>	<b>7.38</b>	<b>7.38</b>
IX ZAMBOANGA PENINSULA	4.14	6.50	0.93
<b>X NORTHERN MINDANAO</b>	<b>5.34</b>	<b>7.19</b>	<b>1.87</b>
XI DAVAO REGION	6.71	9.39	2.51
XII SOCCSKSARGEN	8.39	6.45	1.24
XIII CARAGA	8.12	7.83	0.69
ARMM MUSLIM MINDANAO	3.78	2.99	0.15

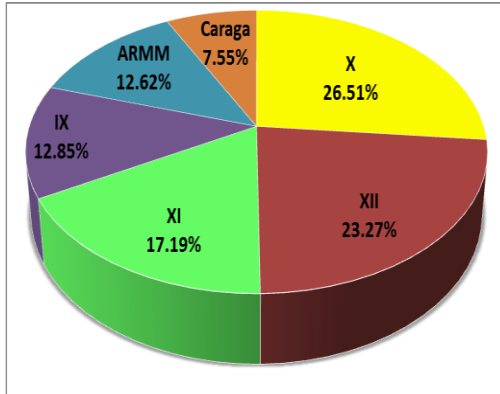
Northern Mindanao was the second largest economy in Mindanao in 2014 having a maintained share of 25.9 percent, following Davao Region with an increased share of 27.2 percent. (Table 7)

**Table 7. PERCENT DISTRIBUTION OF REGIONAL ECONOMIES TO THE MINDANAO ISLAND GROUP'S ECONOMY: 2014 (at constant 2000 prices)**

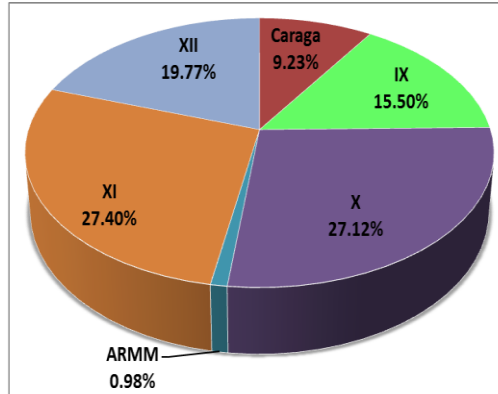
REGION	GROSS REGIONAL DOMESTIC PRODUCT (In thousand pesos)		% DISTRIBUTION, 2014
	2013	2014	
<b>MINDANAO</b>	<b>963,810,067</b>	<b>1,034,921,796</b>	<b>100.0</b>
IX ZAMBOANGA PENINSULA	137,178,415	146,098,797	14.1
<b>X NORTHERN MINDANAO</b>	<b>250,338,802</b>	<b>268,336,627</b>	<b>25.9</b>
XI DAVAO REGION	257,347,378	281,515,327	27.2
XII SOCCSKSARGEN	185,212,304	197,153,434	19.1
XIII CARAGA	84,438,562	91,046,952	8.8
ARMM MUSLIM MINDANAO	49,294,606	50,770,660	4.9

Looking at the major sectors of the Mindanao economy, Region X remained to have the biggest chunk of the total AHFF of Mindanao in 2014 with an increased share of 26.51 percent of the total AHFF of Mindanao. In Mindanao's Industry sector, Region 10 decreased its share from 27.6 percent in 2013 to 27.1 percent in 2014, which made it second to Davao Region in 2014 from rank 1 in 2013. For the Services, Northern Mindanao, got the second biggest share 24.73 percent of the total Services in Mindanao. It was second to Davao Region whose share in the total Services of Mindanao was 32.25 percent. (Figure 3)

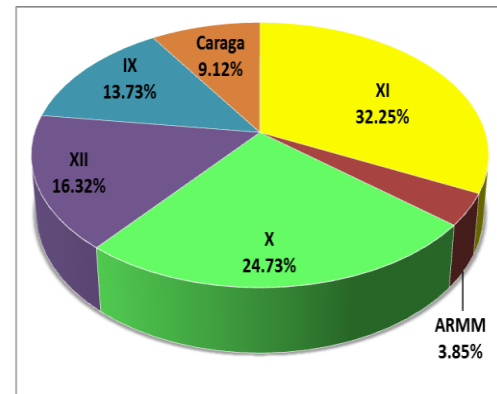
**Figure 3. REGIONAL DISTRIBUTION BY MAJOR ECONOMIC SECTORS: 2014  
(at Constant 2000 Prices)**



**Mindanao AHFF**



**Mindanao Industry Sector**



**Mindanao Services**

For more inquiries, you may contact:

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