



Philippine Chamber of Commerce and Industry Tacloban-Leyte

BUSINESS RESILIENCE CENTER

Updates on the Development Plans for Eastern Visayas

Rebuilding Yolanda-affected Areas

Presented by:

OLIVER CAM
VP External Affairs
Consultant, BRC

Overview

Part 1: Eastern Visayas Economic Profile

Part 2: New Regional Development Plan 2017-2022

Part 3: Flagship Investment Priorities and Opportunities per sector

- ❖ Manufacturing/Processing: Leyte Ecological Industrial Zone

- ❖ Agriculture/Fisheries: Rice Revolution

- ❖ Services: Tourism

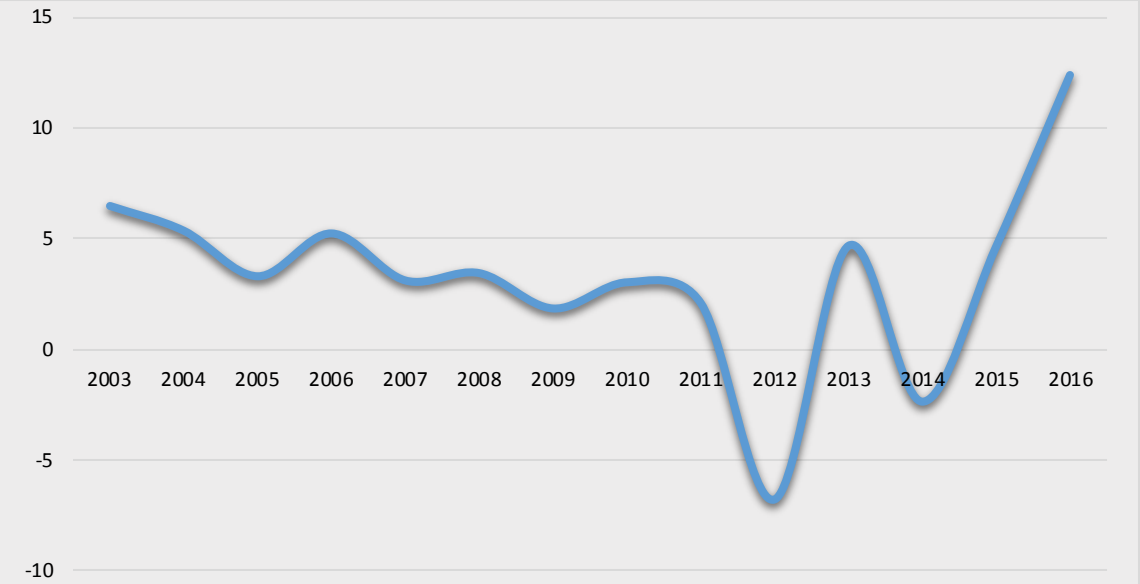
- Part 4: Yolanda funds update

Part 1: Overview of Eastern Visayas Regional Economy

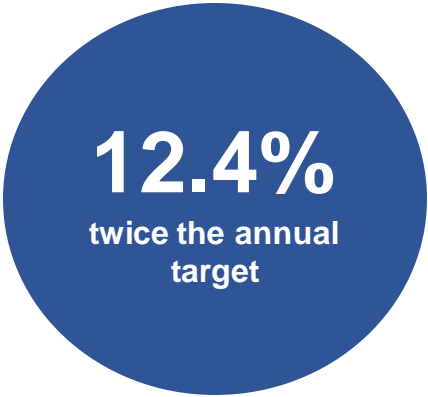
Source: State of the Region Address (SORA),
2017 3rd Qtr Regional Development Council, Full Council Meeting
Sept. 29, 2017, NEDA VIII, Palo, Leyte



Eastern Visayas: Fastest growing economy in 2016



Broad-based growth



2.4%



AHFF

20.2%



Industry

8.6%



Services

Vibrant demand

Fastest growth in per capita household expenditure and construction investments

10.1%



Household Expenditures

9.5%

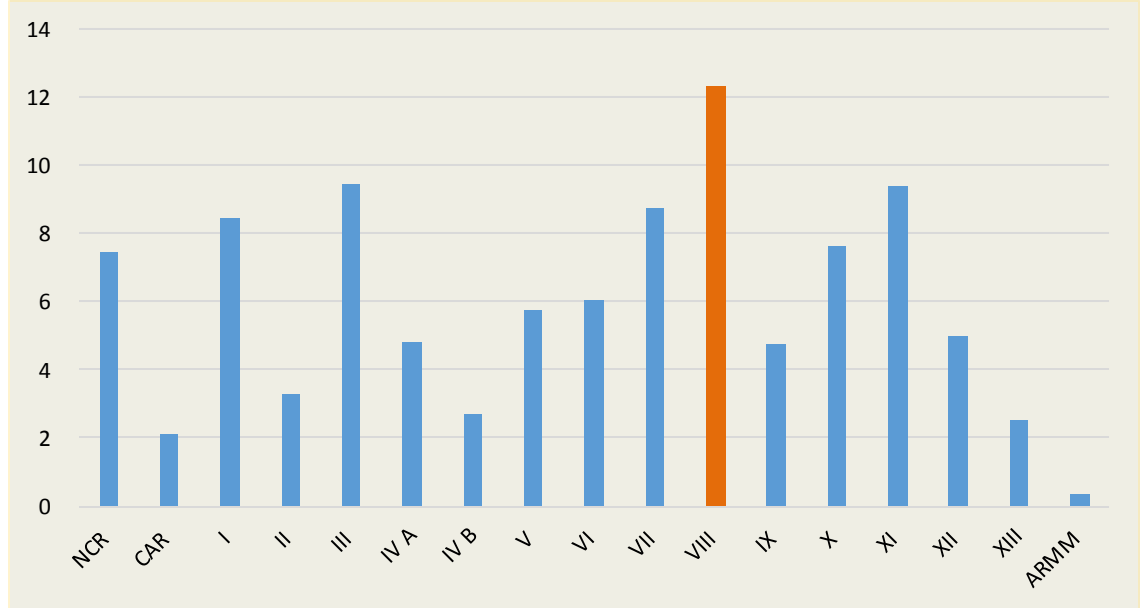


Government Expenditures

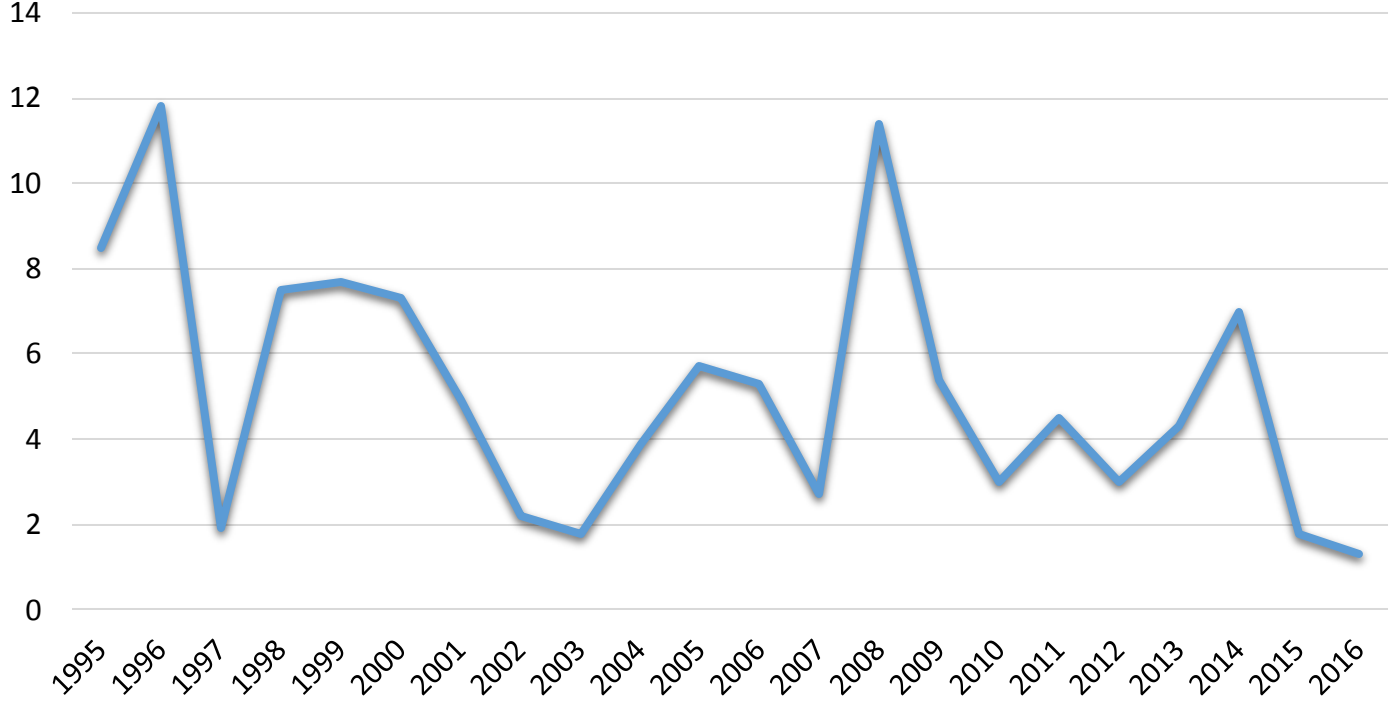
48.6%



Public and Private Construction



Lowest inflation rate in at least two decades



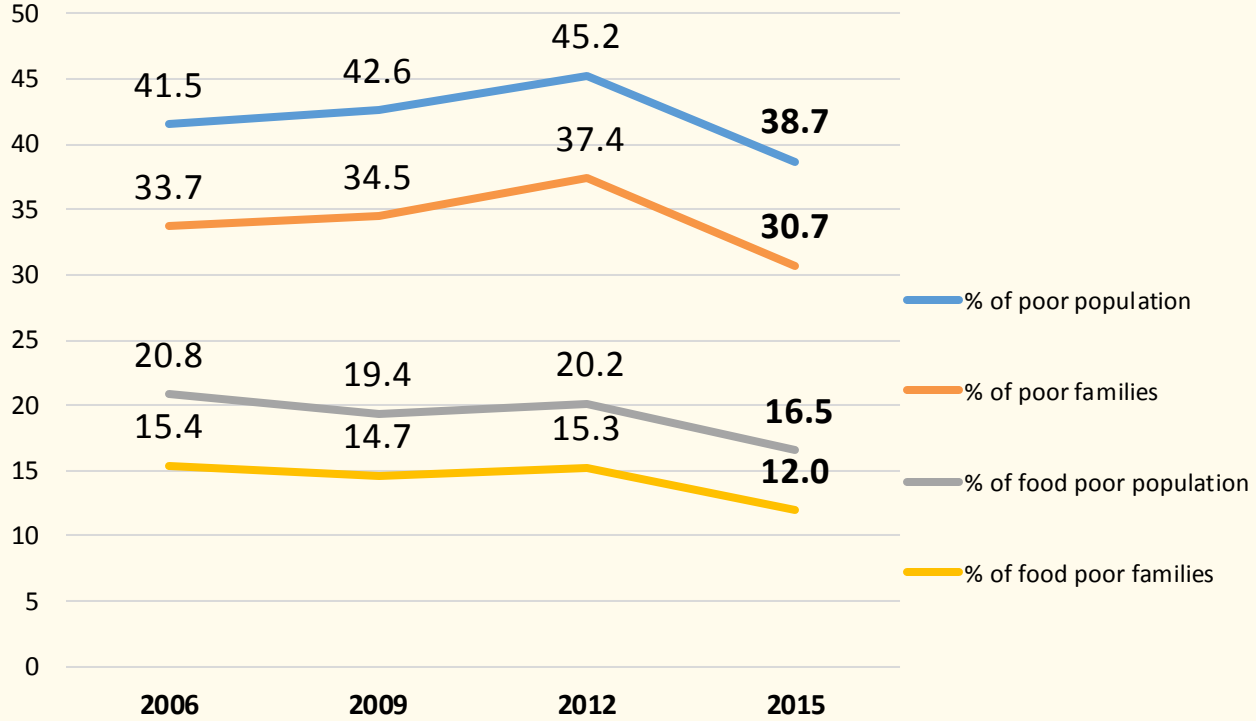
1.3%
2016 headline inflation rate

Purchasing power of peso is 0.65

Lower inflation rate in all provinces

Provinces	Inflation Rate
Biliran	0.7%
Leyte	1.8%
Southern Leyte	3.5%
Samar	-0.7%
Eastern Samar	1.5%
Northern Samar	0.4%

Decade-low poverty incidence

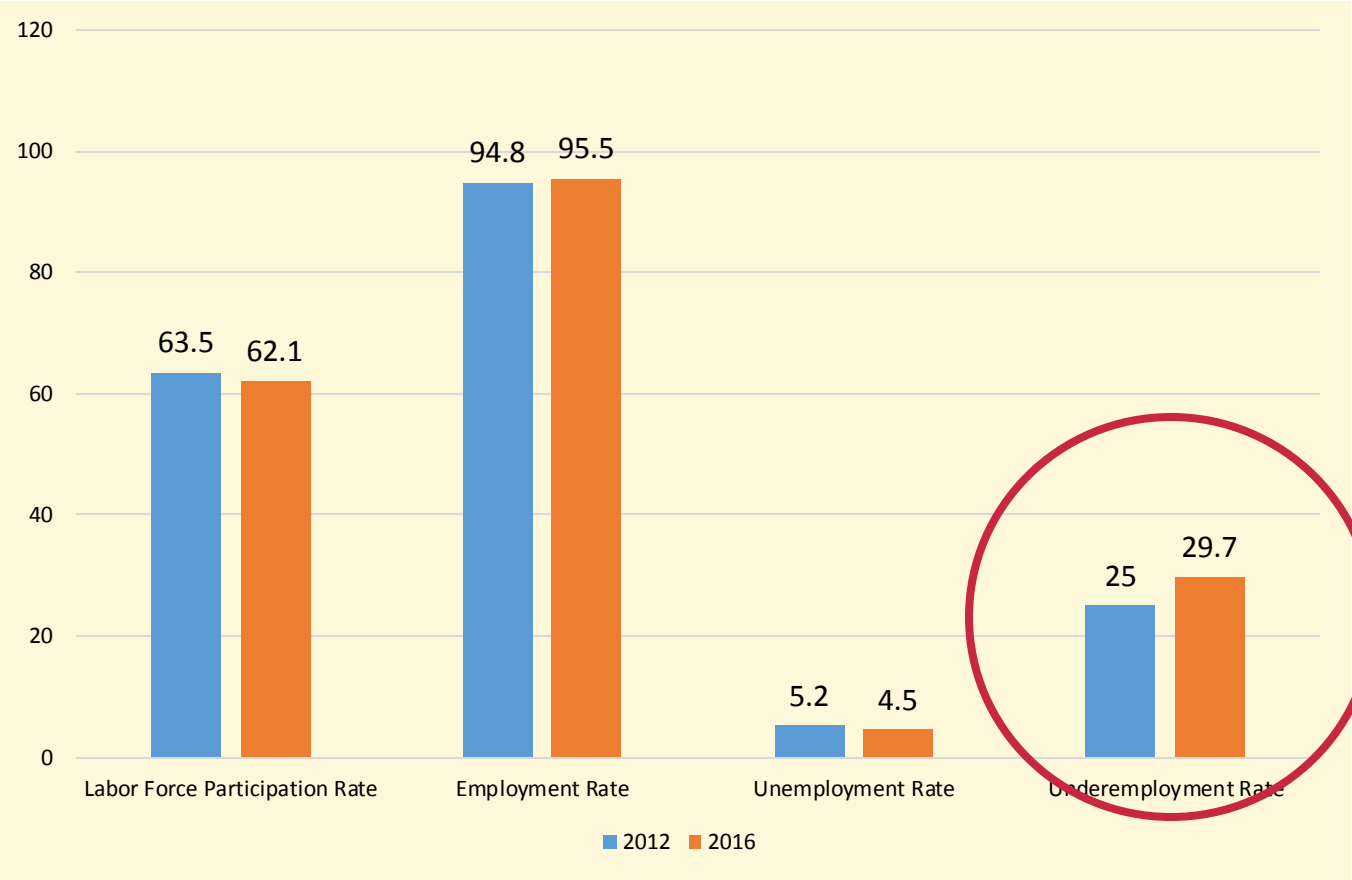


BASIC SECTORS	2006	2009	2012	2015
Women	40.2	42.0	44.9	38.9
Youth	33.0	38.0	41.6	33.9
Children	51.0	52.6	56.5	49.3
Senior Citizens	27.0	24.5	27.6	24.7
Individuals in Urban Areas	22.3	23.4	24.9	23.3
Migrant and Formal Sector Workers	28.6	33.5	36.0	28.5
Farmers	47.4	48.5	49.2	46.4
Fishermen	45.1	49.0	46.4	40.0
Self-Employed	38.3	39.4	40.4	34.9
Employed	33.7	36.4	38.3	31.6
Unemployed	33.0	37.6	40.4	36.0

Lower poverty incidence was observed in all provinces, except for Northern Samar

Declining poverty incidence among basic sectors but remain high among farmers and fishermen

Low unemployment rate but high underemployment rate



1 in every 3 employed persons in the region engaged in elementary occupations (unskilled labor)

2nd highest underemployment rate in 2016

High poultry and fishery output but low crop and livestock production



Commodities	2015	2016
Palay	955.71	954.84
Corn	91.15	81.60
Coconut	1,165.87	1,072.67
Abaca	12.75	12.49
Banana	227.22	226.60
Camote	111.87	105.94
Carabao	11.18	10.92
Hog	76.50	76.39
Goat	0.78	0.78
Duck	1.28	1.05
Duck Eggs	0.52	0.50
Commercial Fisheries	28.00	24.61
Pineapple	7.19	8.01
Cassava	84.22	84.85
Sugarcane	179.36	333.41
Cattle	2.25	2.31
Chicken	28.35	36.29
Chicken Eggs	2.38	2.51
Municipal Fisheries	77.70	83.44
Aquaculture	29.28	32.22



In thousand metric tons

Promising outlook for industry and service sectors



PhP807 million
Investments on agribusiness and energy



7,750 MSMEs
assisted



10%
Increase in business name registration

1.2 million tourist arrivals in 2016
70% higher than annual target
20% higher year-on-year



Gains and challenges on social development



Indicators	2015	2016
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Maternal mortality rate (per 100,000 livebirths)

98.87 95.3



Under-five mortality rate (per 1,000 livebirths)

9.53 10.11



Infant mortality rate (per 1,000 livebirths)

6.85 7.08



TB prevalence rate (per 100,000)

438 414



TB case detection rate

92 90.54



Contraceptive prevalence rate

43.57 47.61



Proportion of households with access to safe water

90.02 88.17



Proportion of households with access to sanitary toilet facilities

75.95 76.94



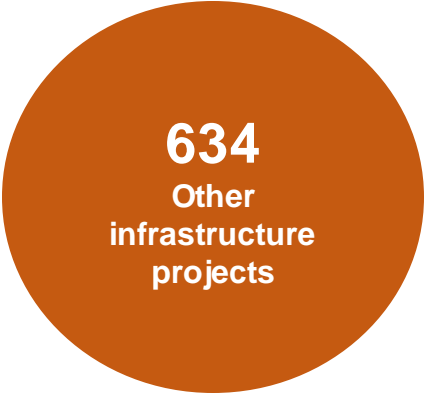
Infrastructure development strengthened



Completed 25 kilometers of FMRs in agrarian communities

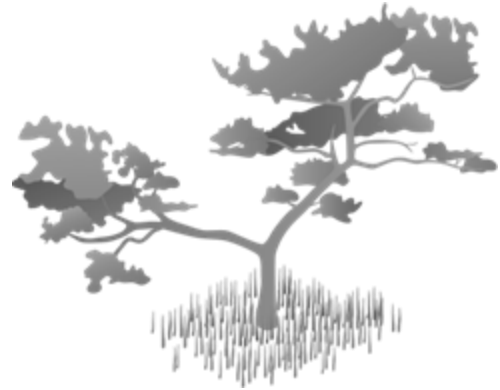


Completed 108 elementary and 140 secondary school building projects



Constructed and improved 56 kilometers of roads leading to tourism destinations

Management of environment and natural resources pursued



Indicator	2015	2016
Proportion of land area covered by forest (% and ha)	24% (514,464)	24.02% (514,820)
Forest production areas rehabilitated and maintained (ha)	16,052.00	56,045.00
Mangrove areas rehabilitated and maintained (ha)	13,633.10	13,744.10

Good governance and peace and order as foundations of development

12 LGUs
 Conferred with
 SGLG in 2016

Need to improve public financial management and capacity for local revenue generation

Indicator	2015	2016
Crime Volume	21,104	11,782
Index Crime	7,876	3,842
Non-index Crime	13,228	7,940
Monthly Crime Rate	39.03	21.38
Crime Clearance Efficiency	54.74%	62.01%
Crime Solution Efficiency	45.34%	54.12%



Post-disaster rehabilitation and recovery initiatives undertaken

RDC VIII Resolution No. 52, Series of 2016, *“Endorsing the Typhoon Nona Rehabilitation and Recovery Plan (NRRP) 2016-2019 of the Province of Northern Samar to the National Disaster Risk Reduction and Management Council (NDRRMC) and Concerned National Government Agencies for Funding Support”*

On Post-Yolanda R&R PPAs

PhP33.19 billion
Released to implementing agencies as of 2016

PhP22.33 billion
Of the total releases had already been disbursed

43%
Overall Weighted Physical Accomplishment

Task Force on Post-Yolanda Rehab Monitoring



MALACAÑAN PALACE
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

ADMINISTRATIVE ORDER NO. 5

CREATION OF AN INTER-AGENCY TASK FORCE FOR THE UNIFIED IMPLEMENTATION AND MONITORING OF REHABILITATION AND RECOVERY PROJECTS AND PROGRAMS IN THE YOLANDA-AFFECTED AREAS

WHEREAS, Typhoon Yolanda caused widespread destruction, substantial damage and death in several areas, including the provinces of Leyte, Southern Leyte, Samar, Eastern Samar, Biliran, Negros Occidental, Cebu, Capiz, Aklan, Antique, Iloilo, Masbate, Palawan and Dinagat Islands (Yolanda-affected areas);

WHEREAS, delays in the implementation of various projects and programs intended to help Yolanda-affected areas rehabilitate and recover are being encountered due to the lack of coordination between and among government agencies;

WHEREAS, ensuring the timely and efficient completion of the various programs and projects is of paramount importance given that three (3) years have lapsed since the passing of Typhoon Yolanda;

WHEREAS, there is a need to establish a coordinating body in order to ensure the efficient and effective coordination between various government agencies and instrumentalities involved in Yolanda recovery and rehabilitation programs and projects;

WHEREAS, Executive Order (EO) No. 99 (s. 2012) mandates the Office of the Cabinet Secretary to ensure the timely execution and monitor the significant impact of the targets under the annual performance and projects roadmap, and re-align targets when needed; and

WHEREAS, EO No. 292 (s. 1987), otherwise known as the "Administrative Code of 1987" states that the President shall have control over all executive departments, bureaus and offices.

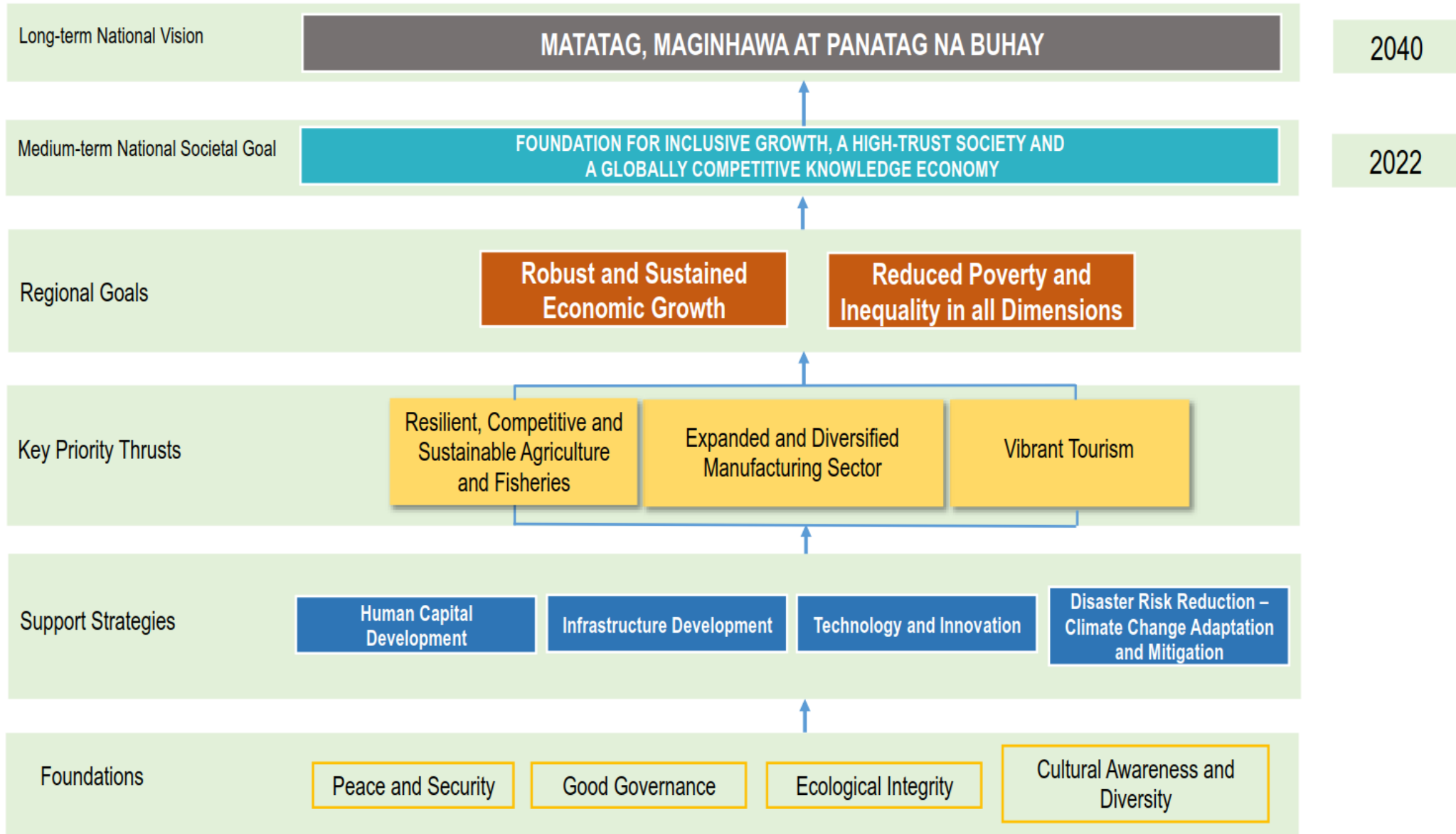
NOW, THEREFORE, I, RODRIGO ROA DUTERTE, President of the Philippines, by virtue of powers vested in me by the Constitution and existing laws, do hereby order:

Part 2: New Regional Development Plan 2017-2022

Source: State of the Region Address (SORA),
2017 3rd Qtr Regional Development Council, Full Council Meeting
Sept. 29, 2017, NEDA VIII, Palo, Leyte



EV-RDP 2017-2022 FRAMEWORK





Broadstroke plans



Targets and indicators



Programs and projects



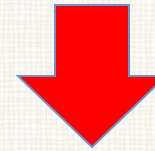
P651.66 billion

public investment geared towards
development from 2017 to 2022



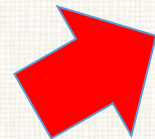
Outputs from the
validation workshops on
1 March and 16 August
2017

LGU submissions

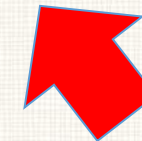


PIPOL

2016-2018 proposed
budgets of the agencies
and SUCs



RDC VIII-endorsed
programs and projects



15 strategies

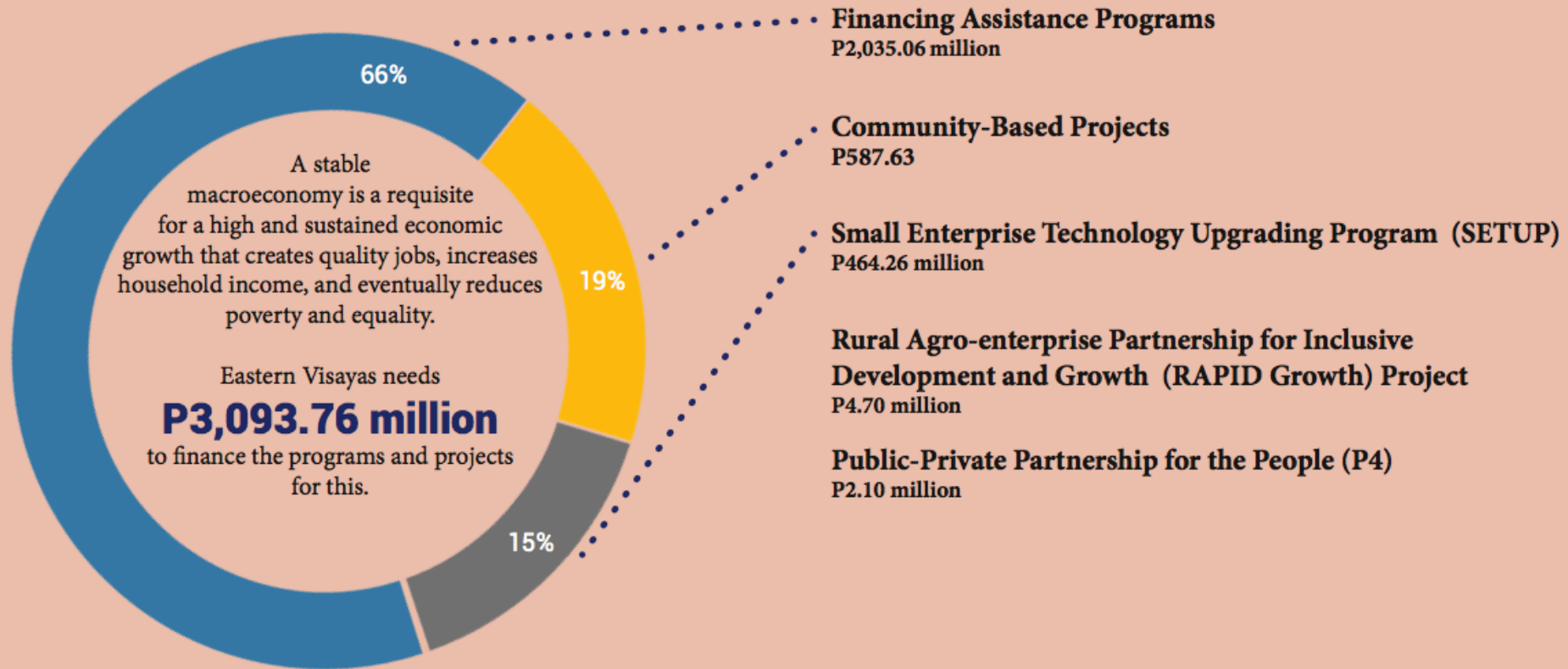




Strategy 1

Providing an Enabling and Supportive Macroeconomic Environment

Aligned with Chapter 15 of the PDP 2017-2022, Point ___ of the 0-10 Socioeconomic Agenda, and Chapter 5 of the RDP 2017-2022

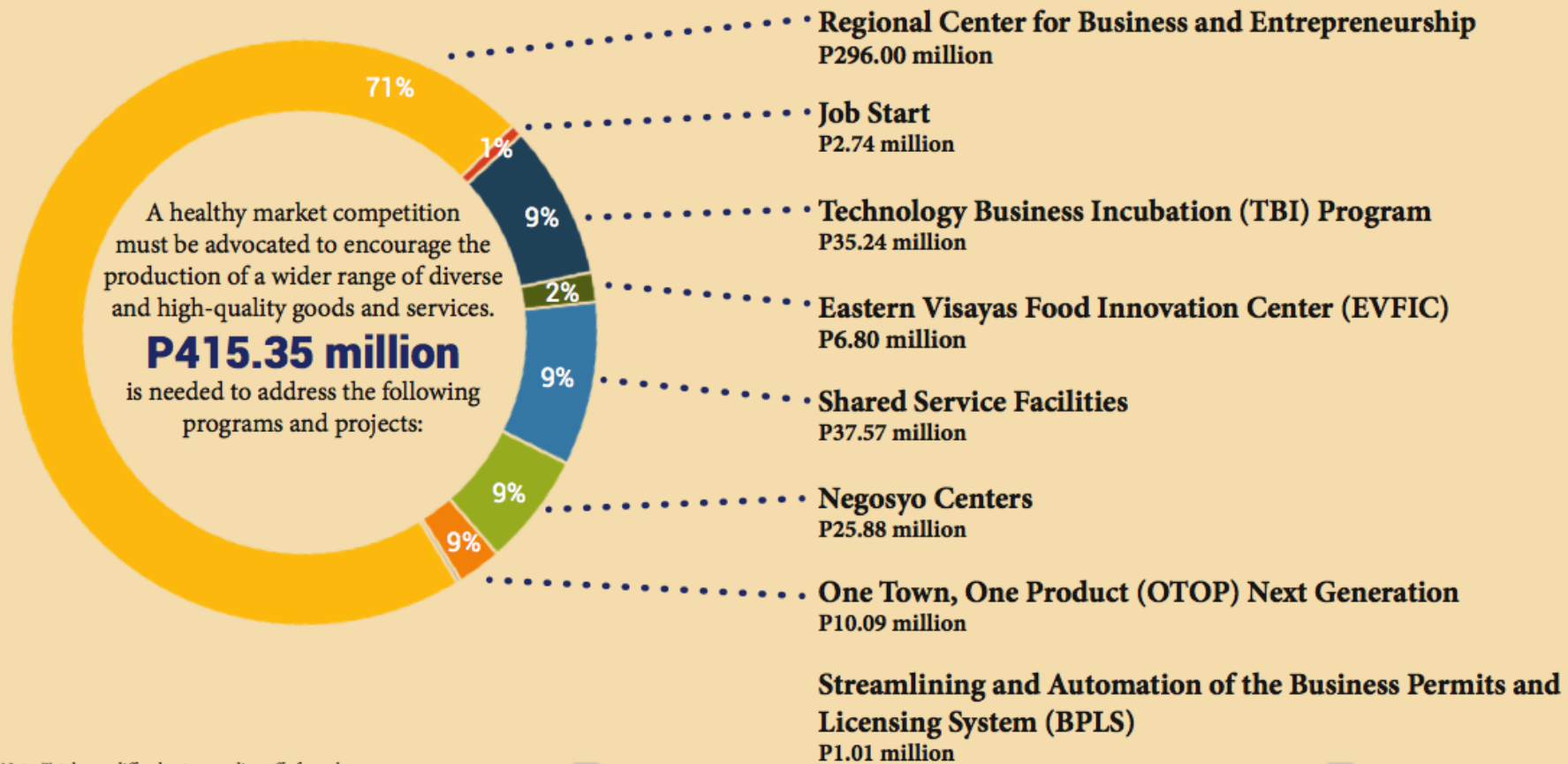




Strategy 2

Promoting Regional Competitiveness

Aligned with Chapter 16 of the PDP 2017-2022, Point __ of the 0-10 Socioeconomic Agenda, and Chapter 6 of the RDP 2017-2022



Note: Total may differ due to rounding off of numbers.





Strategy 3

Expanding Economic Opportunities in Agriculture and Fisheries

Aligned with Chapter 8 of the PDP 2017-2022, Point ___ of the O-10 Socioeconomic Agenda, and Chapter 7 of the RDP 2017-2022

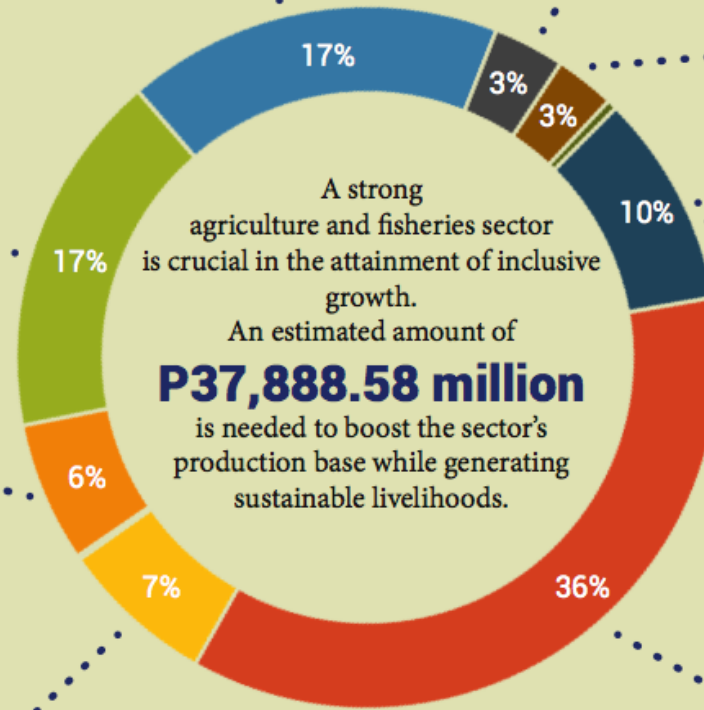
**Foreign- and Local-Funded Special Projects
(PRDP, AMIA, SAAD, FishCORAL, and IPAC)**
P6,560.17 million

Production Support Services
P6,355.03 million

**Agricultural and Fishery
Machinery, Equipment, and
Facilities Support Services**
P2,441.06 million

Market Development Services
P69.73 million

Agrarian Reform Program
P2,694.25 million



Agricultural and Fishery Regulation Services
P1,240.05 million

**Extension Support, Education and
Training Services**
P1,044.19 million

Research and Development
P171.17 million

Farm-to-Market Road Network
P3,716.52 million

Irrigation Network Services
P13,596.41 million

Note: Total may differ due to rounding off of numbers.



Strategy 4

Expanding Economic Opportunities in Industry

Aligned with Chapter 9 of the PDP 2017-2022, Point ___ of the 0-10 Socioeconomic Agenda, and Chapter 8 of the RDP 2017-2022

Industrial Zone Development Program
P6,610.00 million

Ormoc/Kananga Ethanol Plant Project
P1,200.00 million

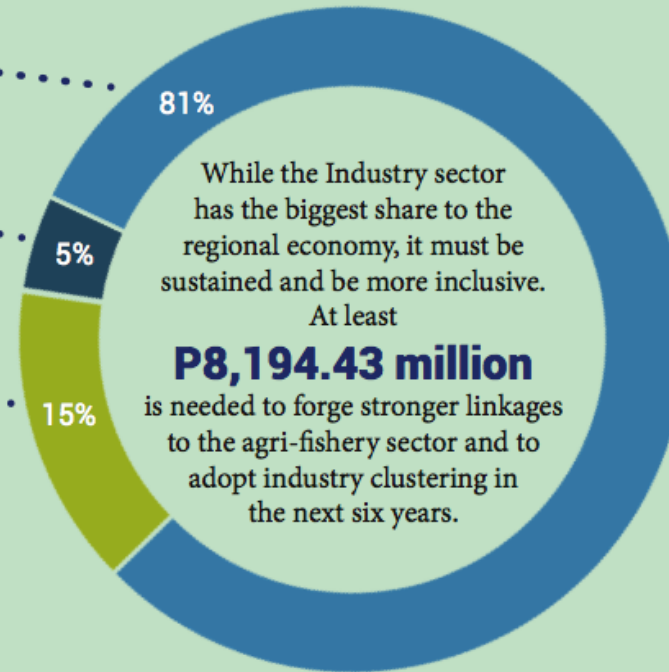
Roads Leveraging Linkages of Industry and Trade (ROLL IT) Program
P377.50 million

Local Industry Development Project
P5.00 million

MSME Development Projects
P5.65 million

Formulation of Industry/Commodity Roadmaps
P0.78 million

Bamboo Industry Development Project
P0.50 million



While the Industry sector has the biggest share to the regional economy, it must be sustained and be more inclusive.

At least

P8,194.43 million

is needed to forge stronger linkages to the agri-fishery sector and to adopt industry clustering in the next six years.

Note: Total may differ due to rounding off of numbers.

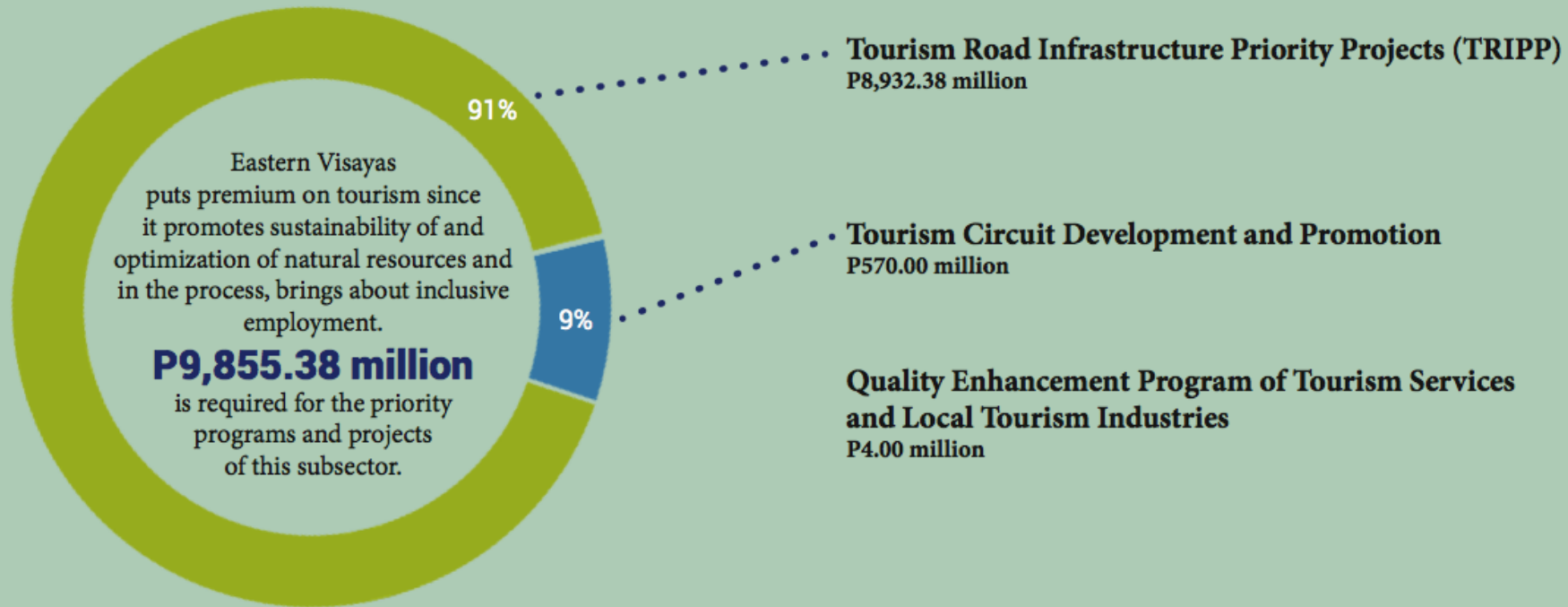




Strategy 5

Expanding Economic Opportunities in Services

Aligned with Chapter 9 of the PDP 2017-2022, Point ___ of the 0-10 Socioeconomic Agenda, and Chapter 9 of the RDP 2017-2022



Note: Total may differ due to rounding off of numbers.

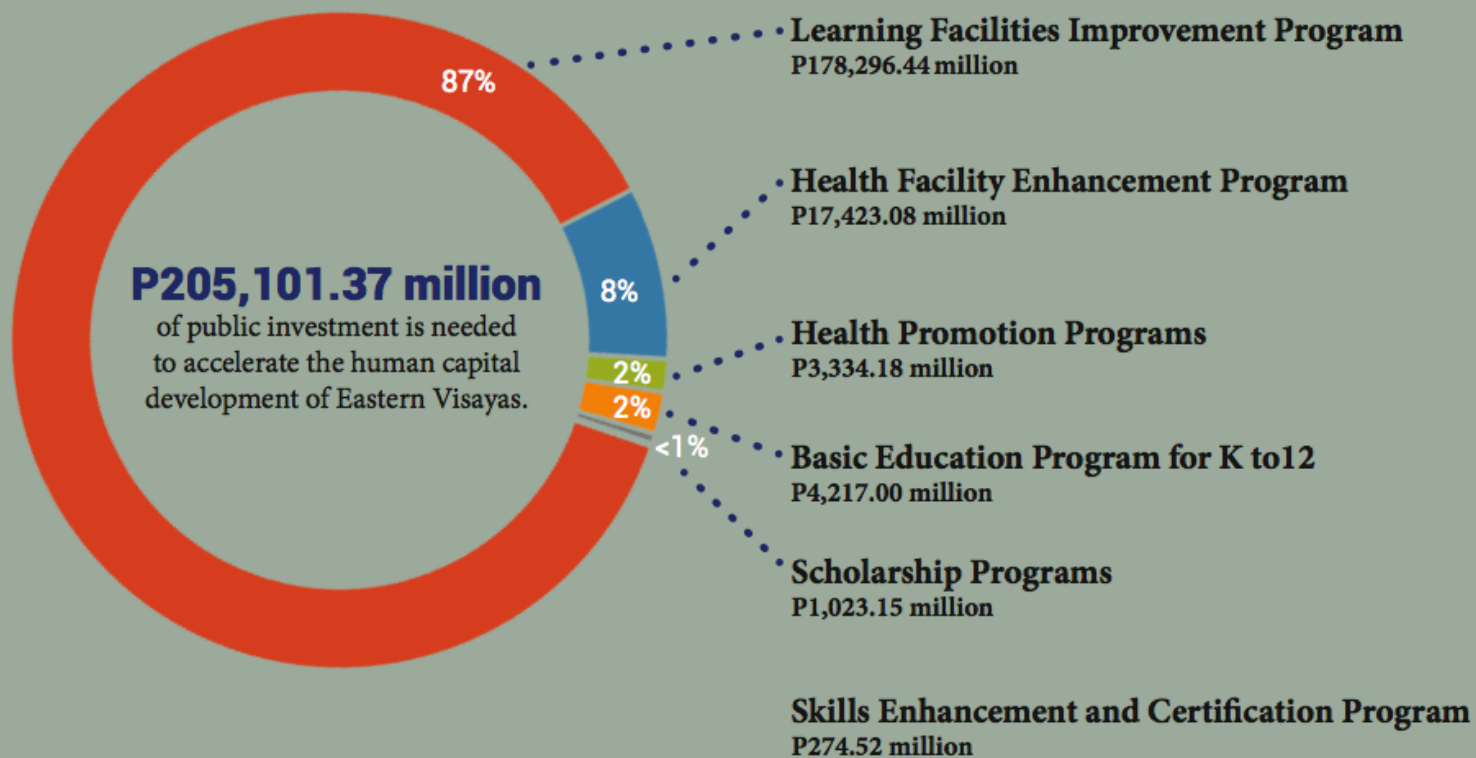




Strategy 6

Reducing Inequality in Opportunities in Human Development

Aligned with Chapter 10 of the
PDP 2017-2022, Point ___ of the
0-10 Socioeconomic Agenda, and
Chapter 10 of the RDP 2017-2022



Note: Total may differ due to rounding off of numbers.



Strategy 7

Reaching for the Demographic Dividend

Aligned with Chapter 13 of the PDP 2017-2022, Point ___ of the 0-10 Socioeconomic Agenda, and Chapter 12 of the RDP 2017-2022



Note: Total may differ due to rounding off of numbers.



Strategy 8

Building Resiliency of Individuals and Families

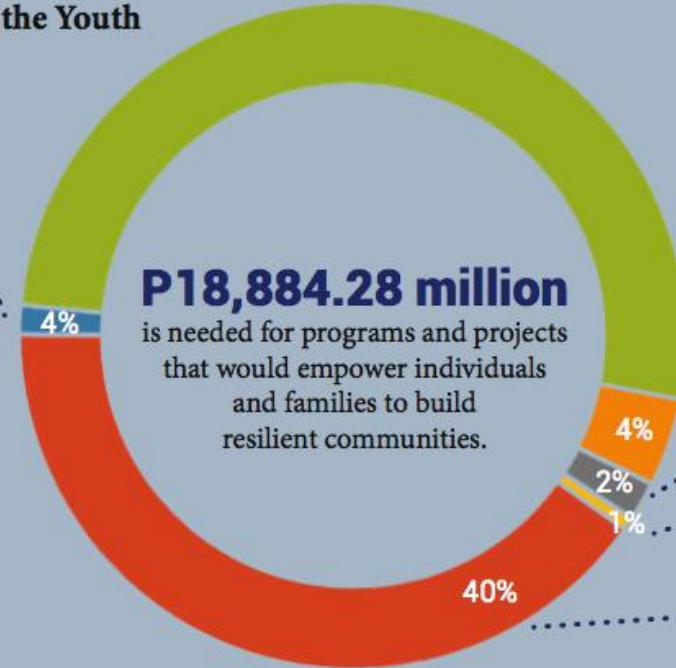
Aligned with Chapter 11 of the PDP 2017-2022, Point ___ of the 0-10 Socioeconomic Agenda, and Chapter 11 of the RDP 2017-2022

Social Welfare Programs for Senior Citizens

P9,740.77 million

Social Welfare Programs for the Youth

P268.90 million



Social Welfare Programs for Other Individuals

P802.25 million

Self-Assistance - Kaunlaran

P361.92 million

Social Welfare Facilities Enhancement Program

P115.50 million

Housing Assistance

P7,594.93 million

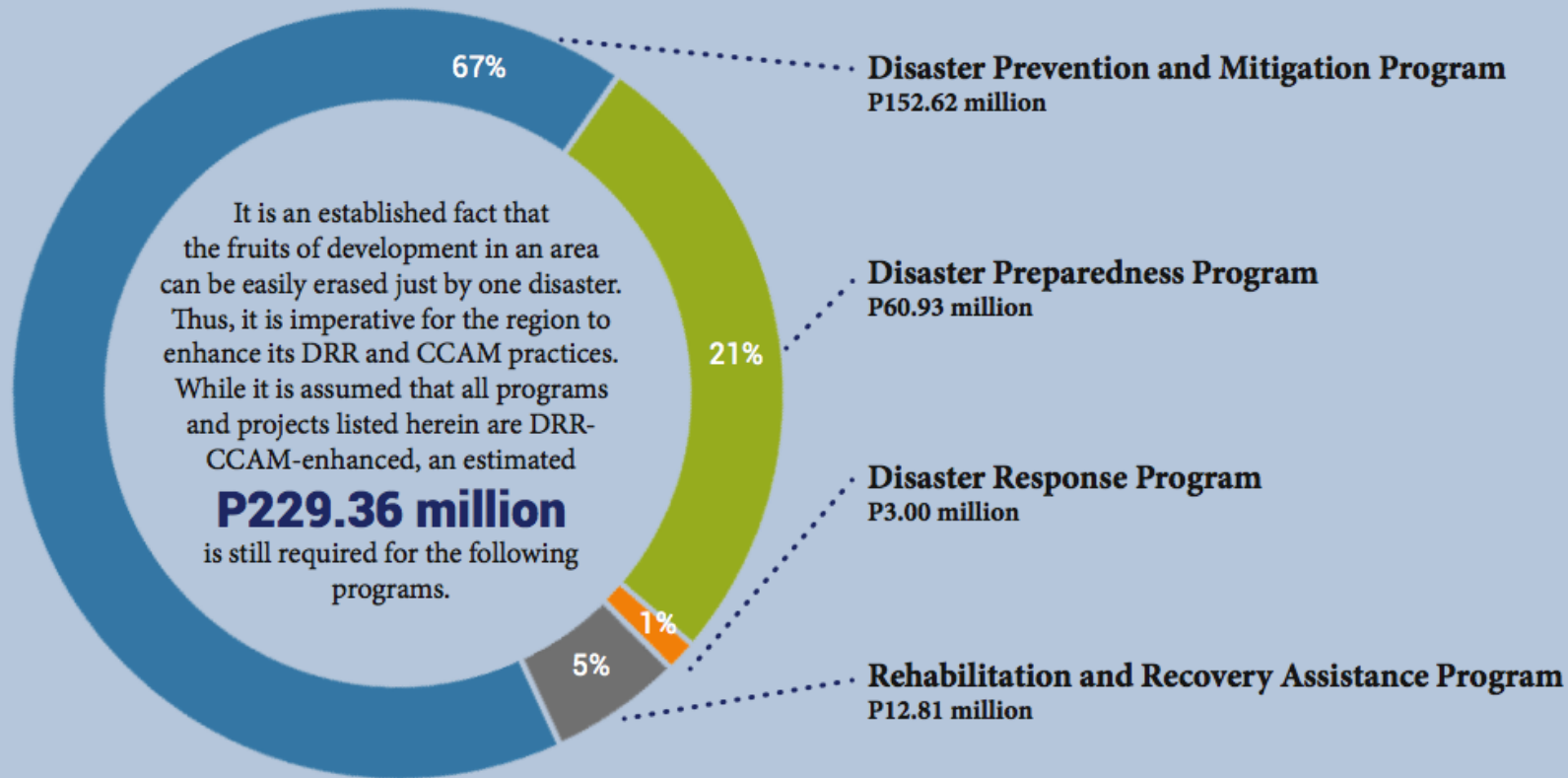




Strategy 9

Enhancing Disaster Risk Reduction and Climate Change Adaptation and Mitigation

Aligned with Chapter ___ of the PDP 2017-2022, Point ___ of the 0-10 Socioeconomic Agenda, and Chapter 13 of the RDP 2017-2022



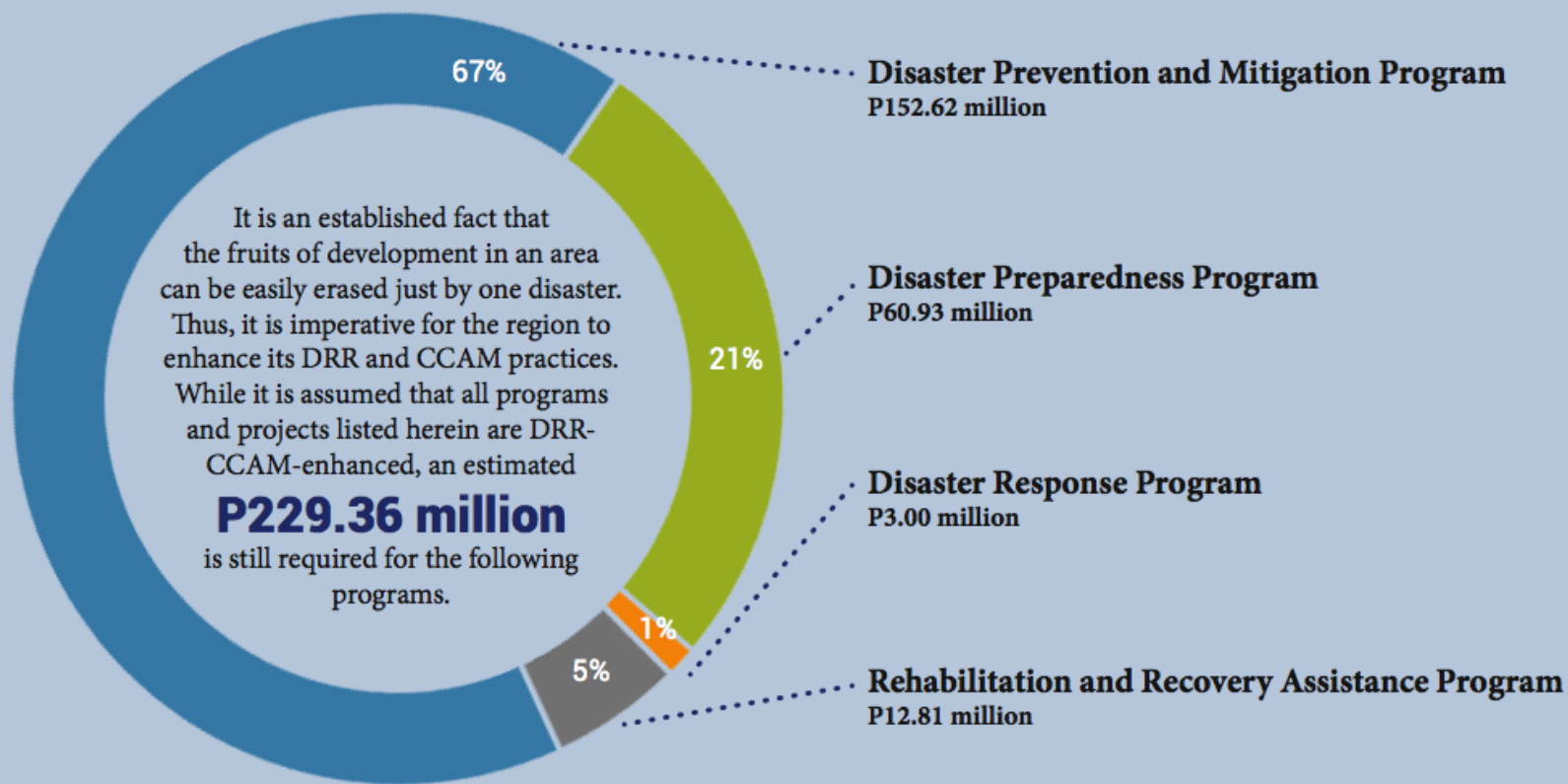
Note: Total may differ due to rounding off of numbers.



Strategy 9

Enhancing Disaster Risk Reduction and Climate Change Adaptation and Mitigation

Aligned with Chapter ___ of the PDP 2017-2022, Point ___ of the 0-10 Socioeconomic Agenda, and Chapter 13 of the RDP 2017-2022



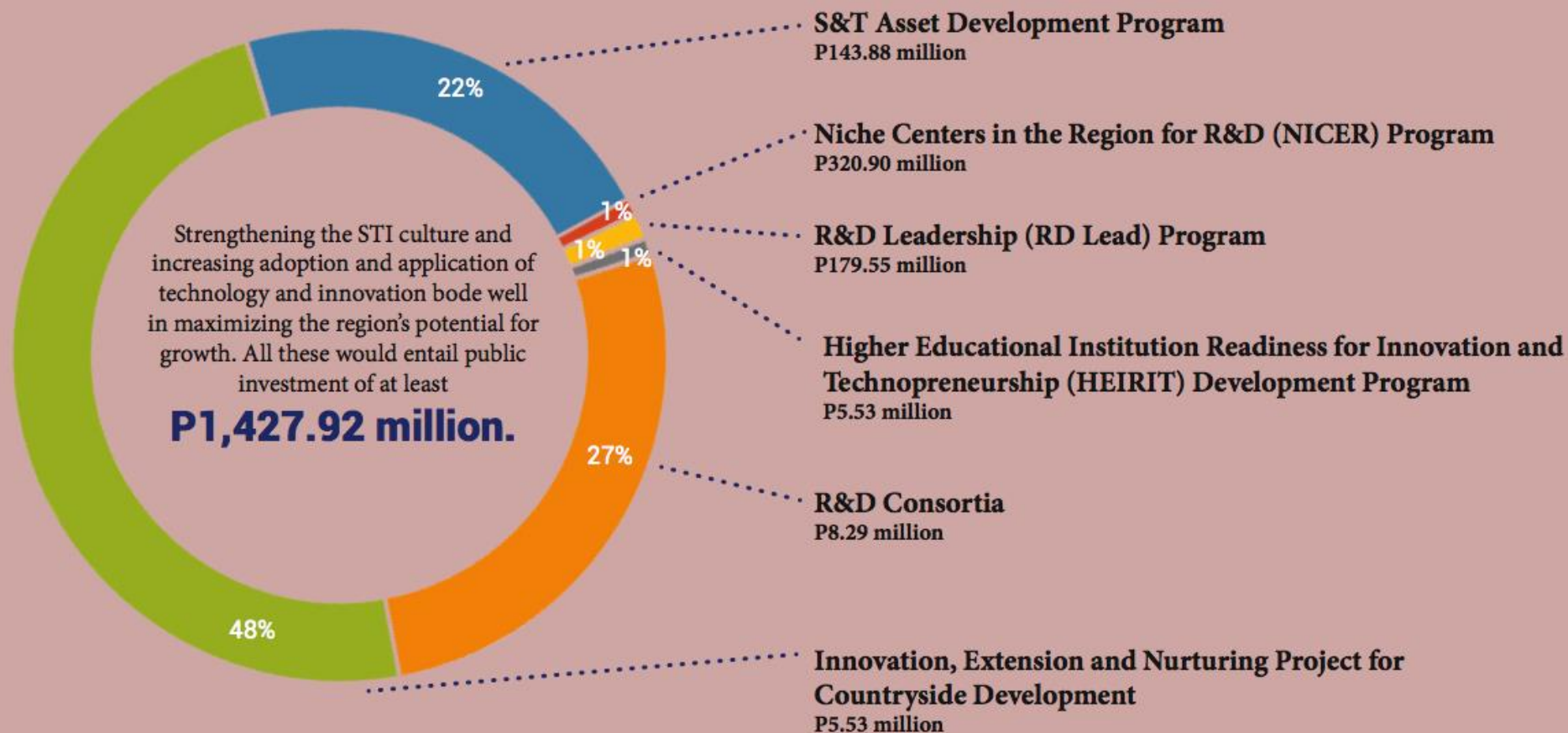
Note: Total may differ due to rounding off of numbers.



Strategy 11

Leveraging Science, Technology and Innovation

Aligned with Chapter 14 of the PDP 2017-2022, Point ___ of the 0-10 Socioeconomic Agenda, and Chapter 15 of the RDP 2017-2022



Note: Total may differ due to rounding off of numbers.



Strategy 12

Enhancing Peace, Security, Public Order, and Justice Administration

Aligned with Chapters 6, 17, and 18 of the PDP 2017-2022, Point ___ of the 0-10 Socioeconomic Agenda, and Chapter 16 of the RDP 2017-2022



Law Enforcement Program
P3,208.94 million



Narcotics Control Program
P466.72 million



Crime Investigation Program
P859.62 million



Jail Management Services
P351.17 million



Correctional Services Enhancement Program
P239.91 million



Fire Prevention Program
P741.20 million



Peacekeeping Program
P12,870.63 million



When peace and order is assured, economic growth and prosperity are sustained. To ensure that a safe peaceful environment protected from illegal drugs, criminality, and armed conflict, the region needs at least

P18,742.59 million

for the period 2017-2022.



Strategy 13

Enhancing Good Governance

Aligned with Chapter 5 of the PDP 2017-2022, Point ___ of the O-10 Socioeconomic Agenda, and Chapter 17 of the RDP 2017-2022

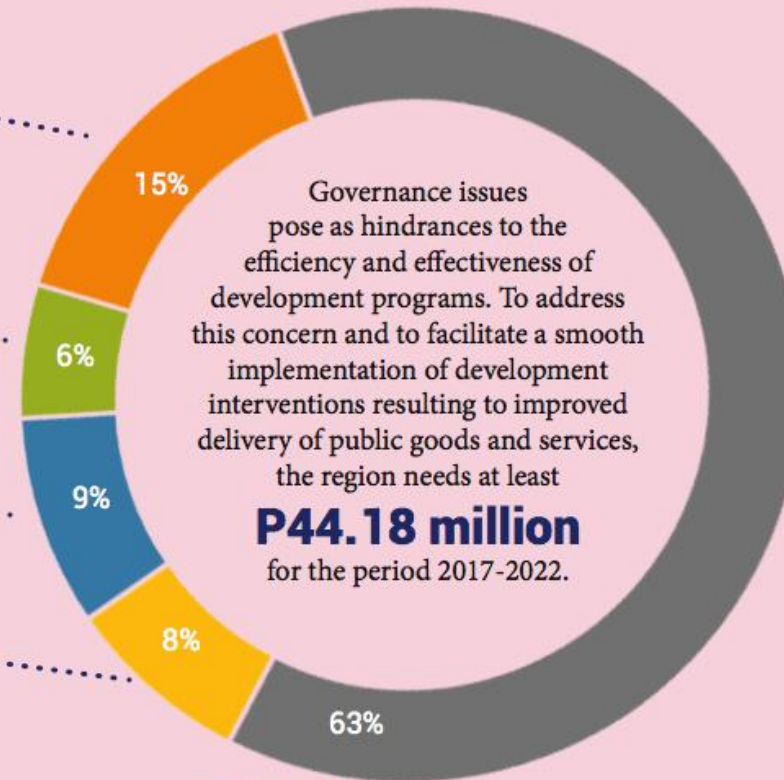
Transition Towards Federalism
P6.48 million

Seal of Good Local Governance
P3.89 million

Full Disclosure Policy
P2.45 million

**Maintaining ISO 9001 and ISO 17025 and
Implementation Initiatives for PQA Certification**
P3.40 million

**Information, Communication and Technology
(ICT) Support Initiatives**
P27.96 million



Note: Total may differ due to rounding off of numbers.



Strategy 14

Maintaining Ecological Integrity and a Clean and Healthy Environment

Aligned with Chapter 20 of the PDP 2017-2022, Point ___ of the 0-10 Socioeconomic Agenda, and Chapter 18 of the RDP 2017-2022



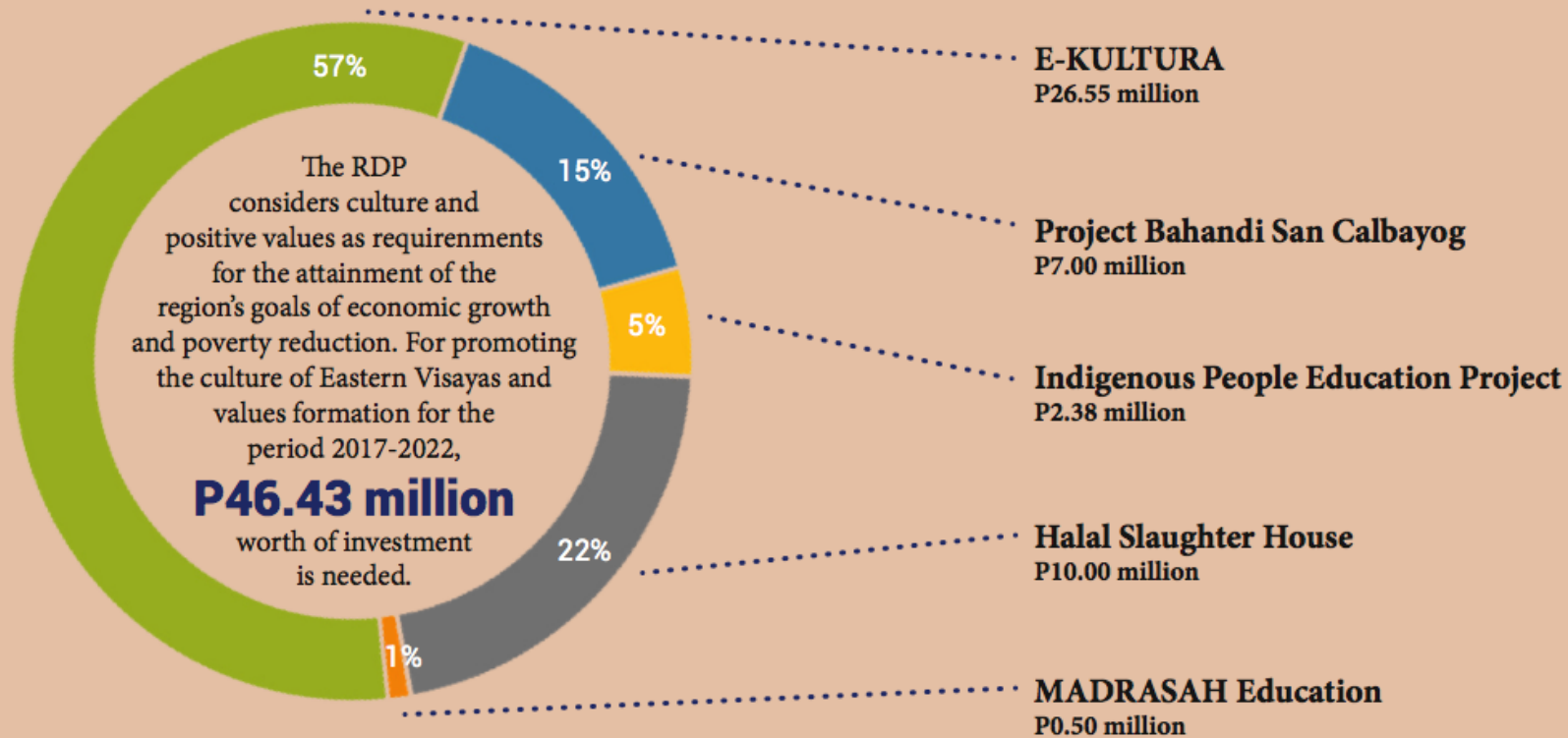
Note: Total may differ due to rounding off of numbers.



Strategy 15

Promoting Eastern Visayas Culture and Values Reformation

Aligned with Chapter 7 of the PDP 2017-2022, Point ___ of the O-10 Socioeconomic Agenda, and Chapter 19 of the RDP 2017-2022



Note: Total may differ due to rounding off of numbers.

Part 3: Flagship Investment Priorities and Opportunities

- ❖ Manufacturing/Processing: Leyte Ecological Industrial Zone
- ❖ Agriculture/Fisheries: Rice Revolution
- ❖ Services: Tourism



INDUSTRY ROADMAP

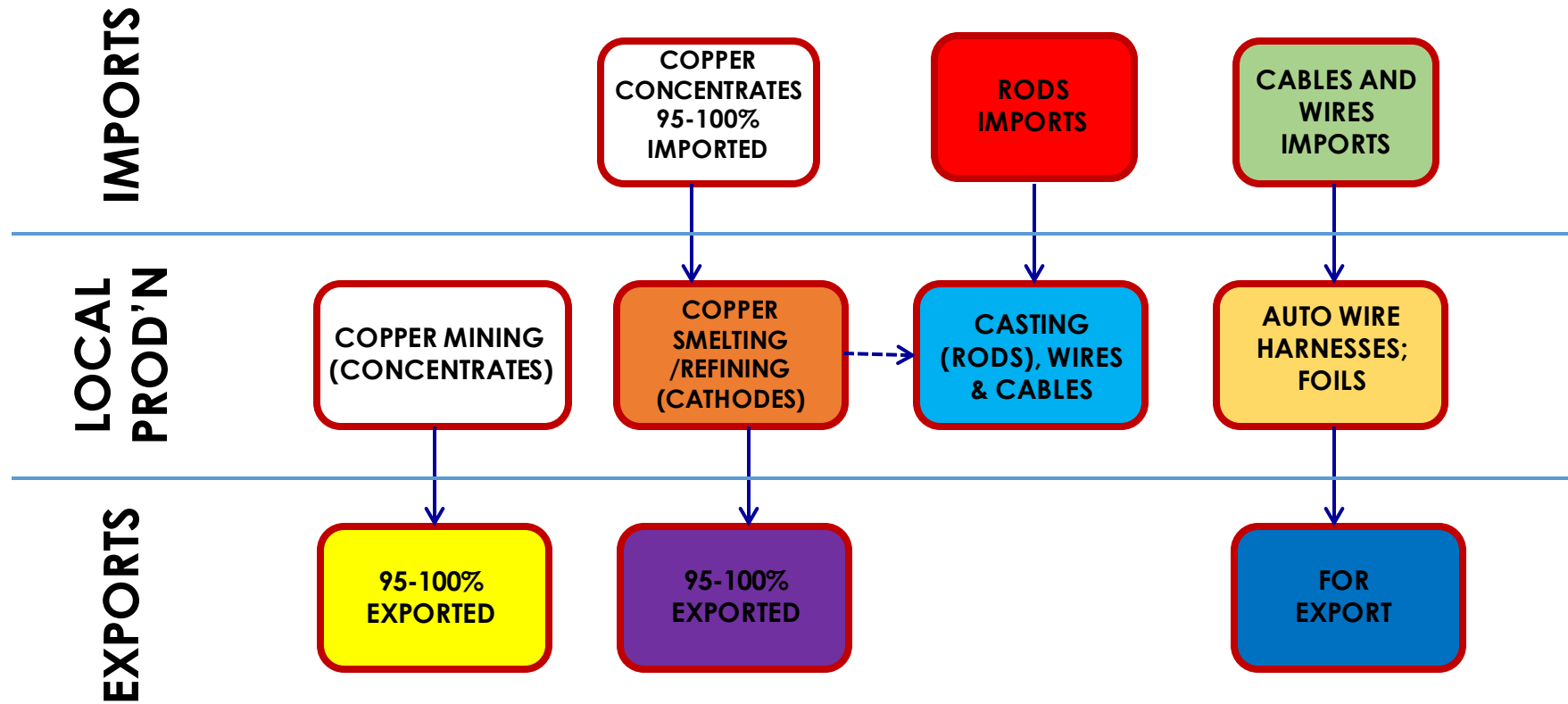
(Manufacturing Resurgence Program)

WHERE WE ARE

WHERE WE WANT TO GO

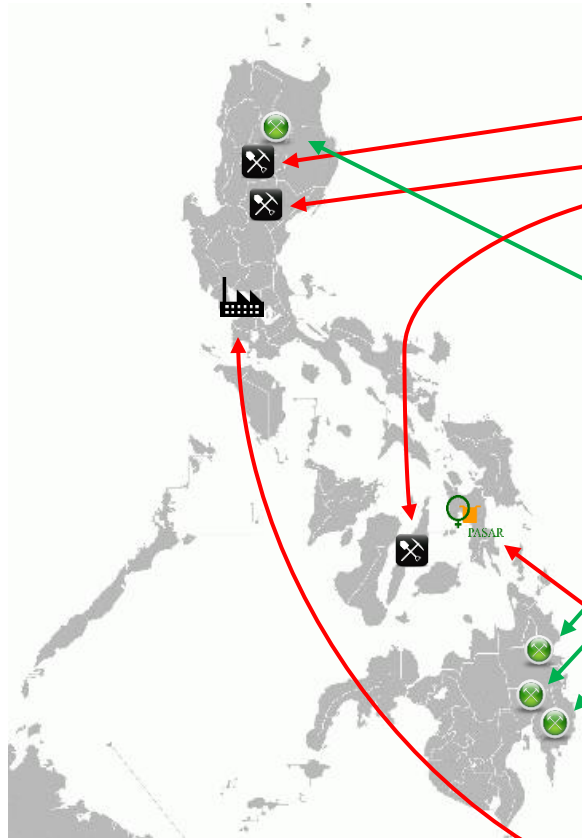
HOW DO WE GET THERE

PREVAILING INDUSTRY CONDITIONS



A FRAGMENTED INDUSTRY

Copper Industry Players



Operating Copper Mines

1. Padcal Copper Project – Philex Mining Corporation
2. Didipio Copper Project – OceanaGold Philippines Inc.
3. Carmen and Lutopan Copper Project – Carmen Copper Corporation



On-the-Pipeline Copper Mining Projects

1. Far Southeast Copper Project – Lepanto Mining Corporation
2. Silangan Copper Project – Philex Mining Corporation
3. Tampakan Copper Project – Sagittarius Mines, Inc.
4. Kingking Copper Project – NADECOR/St. Augustine Gold and Copper Ltd.



Operating Copper Smelter and Refinery

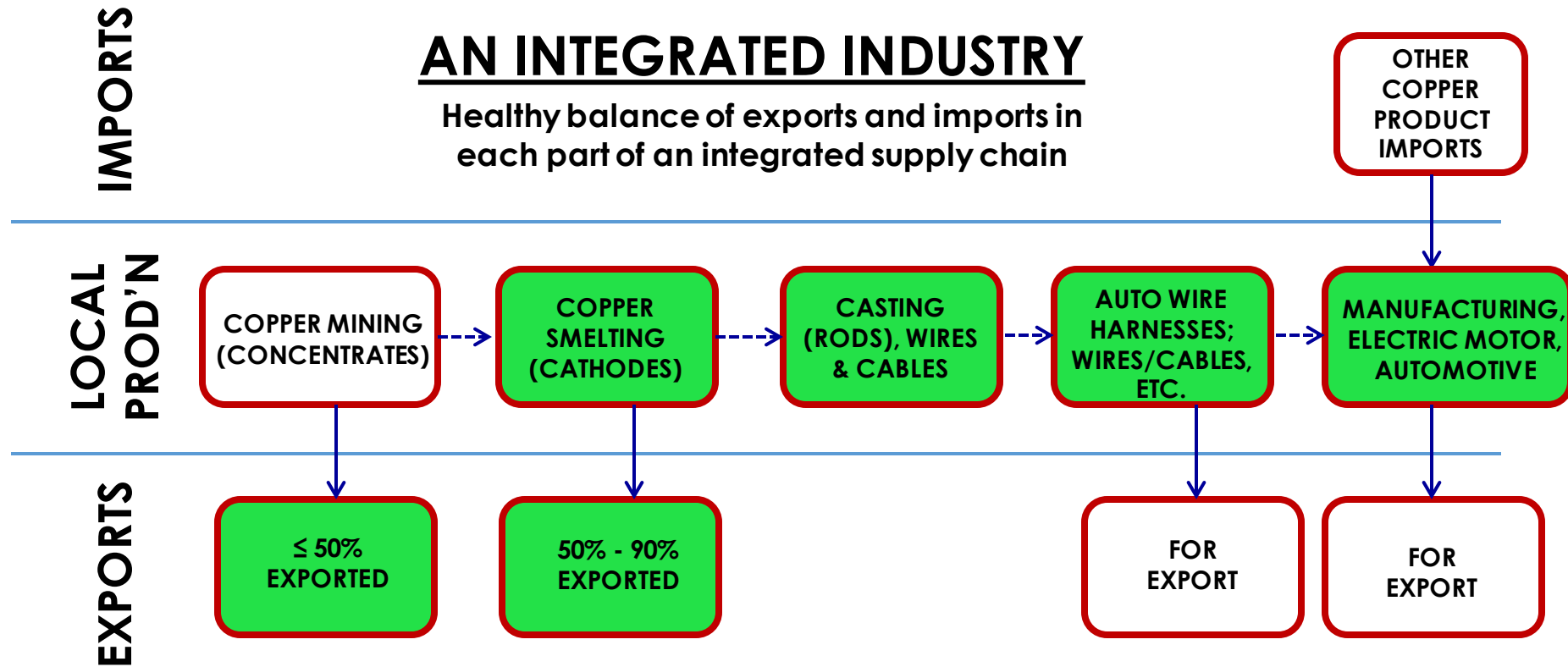
1. Philippine Associated Smelting and Refining Corporation



Refined Copper (Major) Users

1. London Industrial Products
2. Sycwin Coatings
3. Gammon Metal Products
4. Other potential players
(Phelps Dodge, American Wire and Cable, etc.)

WHAT ROADMAP SEEKS TO ACHIEVE



Vision, Goals & Targets

Vision

- PHL to have a fully integrated copper industry from mining to manufacturing at the end of 2030

Goals

- Establishment/development of world-class copper mines
- Establishment of an ecological industrial zone in Leyte(expansion of the current LIDE zone)
- Development of the downstream industries and enhancement of the copper industry value chain

Targets

- Establishment of basic manufacturing facilities to target inward industrial growth potential
- Increase in local manufactures
- Increase in export of copper products
- Increased contribution to the GDP

Vision, Goals & Targets

**Creation of Clusters under a Major Sustainable Eco System
where each hub feeds into and off each other :**

Ormoc (commercial, services, tourism & residential hubs)

**Isabel, Merida, Villaba, San Isidro (Medium and Heavy
industry)**

Palompon (Agro-/Eco-Tourism)

**Metro Tacloban (Light Agro-/Food processing, IT, Logistics-
Transshipment)**

RICE REVOLUTION



Introduction: Rice Processing Centre Development in Leyte



Leyte is largest province in the Eastern Visayas

Rice is the most profitable industry for domestic consumption



Region	Eastern Visayas (Region VIII)
GRDP 2016	Est. 12.4%
Capital	Tacloban
Population	1.72 million ¹
Area	2,438 sq miles (excluding Tacloban)
Key Industries	<ul style="list-style-type: none">❖ Rice trading❖ Coconut processing❖ Geothermal energy❖ Fisheries❖ Service sector
Agriculture	<p>Most Profitable Industries</p> <ul style="list-style-type: none">❖ Rice for domestic sales❖ Coconut oil for export❖ Tuna fisheries for export

¹As of 2014, National Bureau of Statistics, assuming 1.07% growth per year.

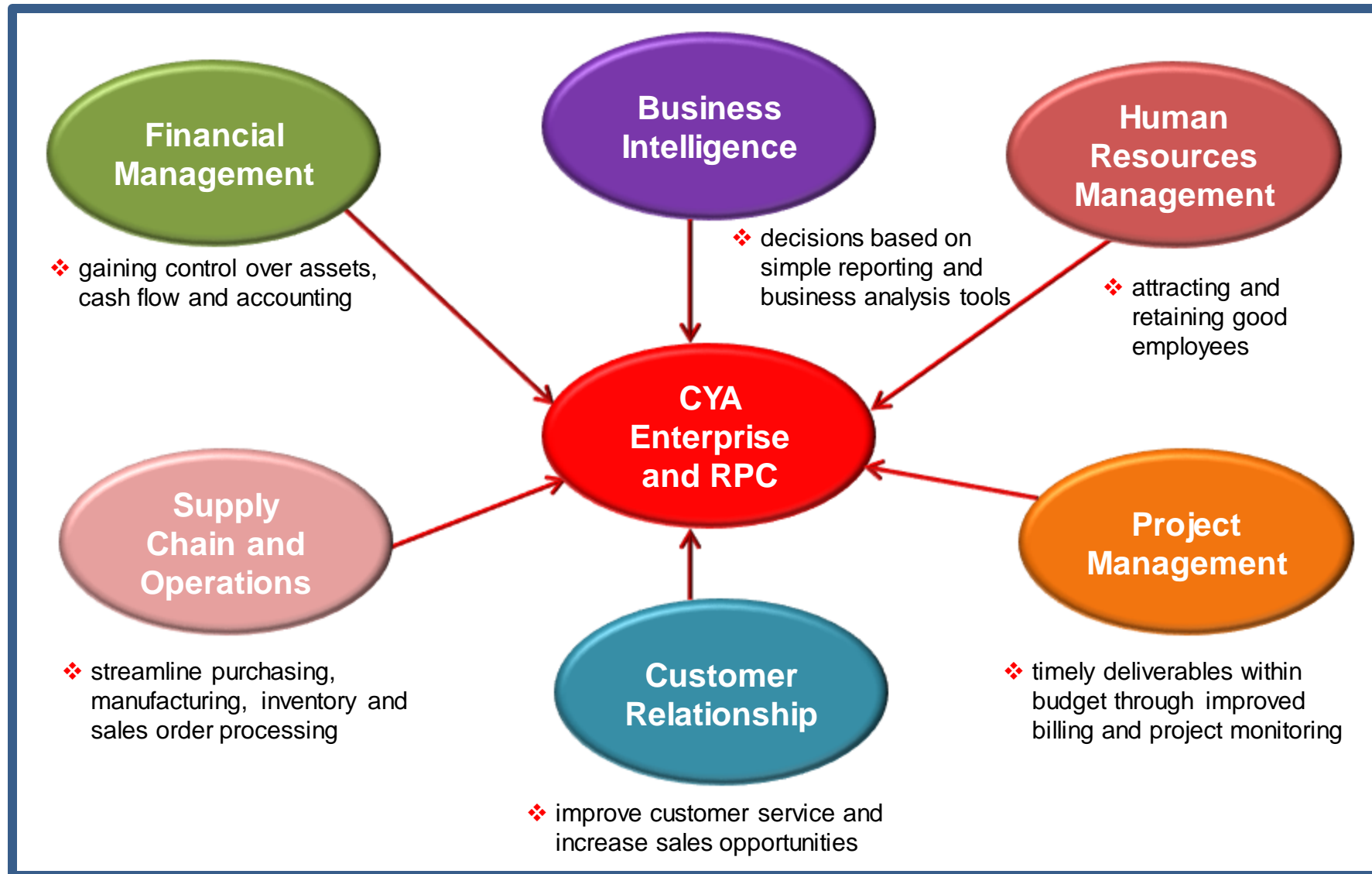
Leyte: target area for Rice Processing Centre (“RPC”)

Destroyed by typhoon Yolanda, Leyte is a top rice producing area in the country

- ❖ Leyte is the second largest rice producing area in the Visayas region and was the fifth largest in the Philippines before typhoon Yolanda struck.
- ❖ Typhoon Yolanda destroyed 90% of the province, especially the infrastructure for rice production – mills, dryers, and other equipment. Damages totaled USD 2.6 billion.
- ❖ However, buyers from all over the country continue to queue for the abundant supply of palay in Leyte which produces 500,000MT per year.
- ❖ Due to the destruction of post harvest facilities after Yolanda, post harvest losses reach almost 20% of total annual palay production, notwithstanding the poor quality of the remaining palay.
- ❖ CHEN YI AGVENTURES (“CYA”) intends to build Leyte’s only state-of-the-art RPC, fully integrating planting and harvesting, bio-mass drying, silo storage, milling and bagging.
- ❖ Target up to 87,500MT palay over 7,500 hectares (“ha”) per year for Phase I - II, increasing up to 175,000MT per year over 15,000 ha in 4-5 years.
- ❖ No competition since no rice manufacture of our scale understands how to mitigate the climate and calamity risks in Leyte. Therefore, we secure the supply as well as the market.
- ❖ CYA RPC will secure our supply by sourcing palay through 1,500+ farmers organized under the **RENUCCI Partnership (“RENUCCI”)** . We will ramp up to 10,000+ farmers in 5 years.

Invest in Enterprise Resource Planning Systems for RPC

Integrated system to manage financials, supply and value chains and personnel



Further information

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Thank you!



Philippine Chamber of Commerce and Industry Tacloban-Leyte

BUSINESS RESILIENCE CENTER