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Agribusiness Pushed for Mindanao's Inclusive Development

Davao City, Philippines - RD Maria Lourdes Lim of NEDA Regional Office XI pushed for the advancement of agribusiness towards a *matatag, maginhawa at panatag na buhay* for Mindanaoans when she spoke to 300 delegates at the Philippine Financial Summit 2018 in Davao City on February 24, 2018. This event was organized by the UP Junior Finance Association to empower students and young professionals on making sustainable financial decisions.

"Agriculture is still the most important sector in rural areas of almost all developing countries," said RD Lim on her topic '*Money Does Grow on Trees*' which focused on the potential of agribusiness in reducing poverty. "Developing the rural economy, therefore, is key to achieving inclusive growth," she added.

Even as Mindanao is regarded as the country's food basket with one-third of its land devoted to agriculture, its economy remains services sector-led posting 56 percent of total economic output. While agriculture has been lagging in terms of output with only 8.7 percent share to gross domestic product, it is the second largest employment generator. However, labor productivity continues to decline.

RD Lim revealed that among the priorities under the Philippine Development Plan, 2017-2022 is to implement the Comprehensive National Industrial Strategy, which includes agribusiness as priority area. The vision is to transform the agriculture sector from traditional farming to a globally-competitive agribusiness sector. RD Lim explained that this will be carried out by phases, first by improving the productivity of high value crops with regional comparative advantage and the strengthening of the emerging crops. The medium-term phase shall be on strengthening linkages among agro-processing and supply chains and commodity clusters, while the long-term phase shall be the deepening of participation in global value chains or regional production networks.

RD Lim added that to attract more investments, generate better jobs and produce more exports, Davao Region has adopted the Industry Clustering strategy since 2004 to help small and medium enterprises (SMEs) increase their productivity through linkages with regional production networks and global value chain. Davao Region has its eighteen (18) priority industry clusters, namely: abaca, banana, bangus, cacao, coconut, durian, ICT, livestock and poultry, mango, mining, renewable energy, rice, seaweeds, tourism, wood, oil palm, rubber and coffee.

“Indeed, the prospects for agribusiness are very bright with growing demand for value-added products in the domestic and global market,” RD Lim said, citing the market opportunities for tablea and cocoa products, carrageenan, vacuum-packed durian, dried mangoes, coconut by-products, natural rubber, among others. Industry players can also try agricultural tourism as a potential venture.

Meanwhile, to tap the prospects of agribusiness as a means to achieve inclusive growth, RD Lim said Mindanao must first improve the competitiveness of its physical infrastructure, trade facilitation, industry clusters, science and technology infrastructure, human resource development, compliance to safety and quality standards, as well as address the various supply and value chain gaps.

Being Mindanao’s future entrepreneurs, the summit delegates were urged to proactively support the economic transformation and direct their efforts towards creating opportunities to improve the quality of life of Filipinos.

This year’s Philippine Financial Summit aims to bring financial literacy to a wide range of audiences in the country’s major island groups. Davao City is the first leg of this year’s event to be followed by Cebu, Baguio and Manila. The other topics were on the Profiles, Challenges and Development Interventions of Philippine MSMEs; Tips on Making Investments; The New Age of Finance; Rewiring Financial Solutions; Investing 101; Do-It-Yourself (DIY) Stock Portfolio; A Game of Loans; and Motivating the Youth, which were tackled by renowned speakers from the government and private sectors.

Contact: Felicidad M. Rabe
DRD, NEDA XI
(082) 296-0161(local 113)
nedaroxi@nedaxi.net
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