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Tales of two Mindanao Regions

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This article will examine the progress of two key regions in Mindanao: Davao and Zamboanga Peninsula. Davao, in the east, faces the Pacific Ocean with Davao City as the center. Zamboanga, in the west, faces Sulu Sea with Zamboanga City as center. The two regions were chosen as they have similarities in economic base, extensive coastlines as well as contrasting geographic location.

Davao City is the main trade center of the Davao Region, together with southern Caraga, southern Bukidnon and Socssksargen region. Meanwhile, Zamboanga City serves Zamboanga Peninsula as well as western ARMM.

The metrics are: (a) population, land area and poverty; (b) gross regional domestic product and components; and (c) agriculture and fishery, and agri-manufacturing.

Population, land area and poverty

Davao is 35 percent bigger in population and 19 percent larger in land area than Zamboanga Peninsula. Its poverty incidence is 12 percentage-points lower.

However, there are inter-provincial extremes in poverty. Davao del Sur has a poverty incidence of 15.6 percent in 2015 as compared to Davao del Norte’s 33.2 percent. Note: Davao del Sur includes Davao City which has very low poverty.

By contrast, Zamboanga del Norte has a poverty incidence of 51.6 percent while Zamboanga Sibugay, 31.7 percent. Farmers’ poverty is far lower in Davao than Zamboanga.

During 2010 to 2015, Davao population grew by 9.9 percent (an in-migration area) versus Zamboanga’s 1.2 percent (an out-migration area).

Population, Land and Poverty

Region	Capital/Cities	Population 2015 ‘ 000	Poverty Headcount 2015, %	Farmers’ Poverty
Davao		4,893	22.0	29.3
Davao Norte	Tagum, Panabo, Samal	1,016	33.2	
Comval	Nabunturan	736	28.1	
Davao Oriental	Mati	559	29.9	
Davao del Sur	Digos	633	15.6 (a)	
Davao Occ.	Malita	316	(a)	

Davao City		1,633	(a)	
Zamboanga		3,630	33.9	46.2
Zambo-Sibugay	Ipil	633	31.7	
Zambo del Sur	Pagadian	1,011	24.8	
Zambo del Norte	Dipolog, Dapitan,	1,012	51.6	
Zamboanga City(b)		862	(b)	

(a) Including Davao Occidental and Davao City (b) included in Zambo del Sur
Source: Philippine Statistics Authority (PSA)

Gross Regional Domestic Product (GRDP) and Growth

Davao is two times larger in GRDP compared to Zamboanga. The former posted a growth of 9.4 percent in 2016, twice that of the latter's 4.7 percent. Structurally, Davao has bigger agriculture and industry sectors.

GRDP Shares at current prices, 2016

	GDP Current Billion pesos	GRDP Growth, 2016,%	Share to National Agriculture	Share to National Industry
Davao	636	9.4	9.1	4.6
Zambo	289	4.7	3.8	2.3
Philippines	14,448	6.9	100.0	100.0

Source: PSA

Agriculture, Fishery and Agri-Industries

Zamboanga Peninsula has a bigger farm area than the Davao region. However, Davao agriculture is more diversified.

Of the total crop area, 78 percent were occupied by palay, corn and coconut in Davao as compared to 85 percent in Zamboanga. Low-yield coconuts account for 46 percent of harvested area in Davao, and 50 percent in Zamboanga. Too glaring is the high poverty of Zambo del Norte (51.6 percent) compared to its neighbor, Zambo Sibugay (31.7 percent). Low farm productivity is the main culprit.

Perhaps the most distinguishing feature is that Davao has more commercial crop exports in high value Cavendish banana, dessicated coconut, coco sugar and cacao. Zamboanga has large areas of rubber but productivity is low.

Davao has also bigger livestock and poultry production. By contrast, Zamboanga has a larger production of fishery and aquaculture.

Davao possesses more diversified agri-industries spurred by its wide base of agriculture raw materials and, perhaps, entrepreneurs.

Agriculture, fishery and agri-Industries, 2016

Region	Main Crops harvested area (hectares)		Agri-food Manufacturing	Livestock, Poultry, Fishery (Value, B)
Davao	Coconut 357,453 Corn 154,584 Palay 97,789 Banana cavendish 49,140 Banana saba 22,182 Coffee 17,256 Mango carabao 16,117 Abaca 13,925	Banana lakatan 11,648 Sugarcane 10,174 Cacao 9,528 Rubber 8,831 Durian 8,344 Pineapple 1,863 Oil palm 1,069 Total Above: 779,903	Coconut oil Desiccated coconut Coconut water Coco sugar Activated carbon Banana chips Processed fruits Artisan chocolate Beer	Livestock P16.6B Poultry P10B Commercial Fishery P0.7 B Marine municipal P2.1B Aquaculture P2.0B
Zambo Peninsula	Coconut 423,792 Palay 155,291 Corn 145,555 Rubber 90, 297 Mango carabao 13,475 Banana saba 8,366	Oil palm 4,568 Banana, lakatan 4,339 Abaca 1,988 Durian 1,102 Total Above: 848,773	Coconut oil Sardines canning Carrageenan	Livestock P9.2B Poultry P4.6B Commercial Fishery P8.3B Marine municipal P6.4B Aquaculture P2.6B

Note Only crops with over 1,000 hectares are included.

Source: PSA

Global connectivity

Davao has an international airport with connections to Singapore and Kuala Lumpur. In 2016, Davao airport hosted 3.6 million passengers. The country's most modern international container port at Panabo City hosts global shipping lines, such as Maersk Lines and APL.

Zamboanga has an international airport but no global connections. In 2016, 980,000 passengers used the airport. Tourism appears robust in Davao and undeveloped in Zamboanga. Zamboanga City has to develop its brand.

Take Away

There are tremendous potentials in the two regions. Davao is on the verge of investment take-off. The construction of the first phase (100 kilometers) of the Mindanao Railway connecting Digos and Tagum will begin in 2018

Zamboanga will have to address its peace and order image, poor power supply, and entrepreneurial drive, among others. Zamboanga del Norte's poverty is among the highest in the country.

Admittedly, it is a challenge comparing two regions. There are statistics, but there are also crucial social and cultural factors of development. The quality of governance institutions differs, too.

(This article reflects the personal opinion of the author and does not reflect the official stand of the Management Association of the Philippines or the MAP.)

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