SOUTHERN PHILIPPINES DEVELOPMENT AUTHORITY: ITS ROLE IN THE DEVELOPMENT OF MINDANAO

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Guests, members of the Philippine Political Science Association, officials, faculty members and students of the Mindanao State University, Ladies and Gentlemen.

The Southern Philippines Development Authority (SPDA) is emerging today as the primary non-line agency of the government with an integrated program of work solely for the whole Southern Philippines. To date, this authority has implemented a total of forty-one (41) corporate activities ranging from aquaculture projects to agro-industrial settlement ventures in various places in Regions IX, X, XI, and XII. The SPDA intends to sustain and accelerate the balanced economic development of the twenty-two (22) provinces comprising Southern Philippines.

The SPDA was established on April 22, 1975 by Presidential Decree No. 690 to dramatize the government's serious concern for the development of Mindanao, Sulu, and Tawi-Tawi, including, at that time, Palawan, which were considered then and even now as belonging to the country's least developed areas. The SPDA took over the tasks of the Mindanao Development Authority (MDA), the Commission on National Integration (CNI), and the Presidential Task Force on the Rehabilitation and Development of Mindanao (PTF-RAD), all of which were abolished by P.D. 690. The difficult task of initiating and implementing corporate ventures and performing social development functions in an investment-starved culturally complex area thus began.

Later in 1979, Presidential Instructions were issued to set in sharper focus SPDA's development goals in Southern Philippines. SPDA's social development functions were transferred to appropriate agencies of the government, leaving the implementation of essentially viable and economic ventures as the main concern of the revitalized authority. The SPDA was also transferred from the Office of the President to become one of the attached agencies under the administrative set-up of the Ministry of Human Settlements (MHS). Presidential Decree No. 1703 was eventually issued by His Excellency, Pres. Ferdinand E. Marcos, on July 26, 1980, not only incorporating

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these changes in the new charter of the SPDA, but also making the authority more dynamic and responsive to the development needs of its re-defined area of responsibility, which then removed Palawan, as this province was included later on under the administrative set-up of Region IV. P.D. 1703 also affirmed the reconstitution of the SPDA Board of Directors, with the Minister of Human Settlements as Chairperson as stipulated in an earlier executive order.

The highlights of the authority's operations as of the end of 1981 show the sharp foresight of our national and regional or local leaders in making the SPDA more responsive to the development needs of Southern Philippines. It was felt that an economically developed Southern Philippines is very vital to the nation's well-being.

We are proud and happy to inform our guests and participants in this conference that as of 1981 we have already ventured into a variety of investment lines to include cement, sugar, and textile milling corporations; livelihood centers; loaning operations; agroindustrial cooperative ssettlement projects; tourism or hotel enterprise; housing or real estate; demonstration or experimental and training farms; service industries; aquaculture; poultry and livestock; and crop production.

For our various corporate projects, we made a total of \$\mathbb{P}\$78.524 million investments in 1981, with regions IX and XII receiving the bigger shares compared to the other two regions in Southern Philippines. The regional breakdown of our total investments as of 1981 are as follows: Region IX — \$\mathbb{P}\$28.288 million; Region XII — \$\mathbb{P}\$34.637 million; Region X — \$\mathbb{P}\$6.488 million; and Region XI — \$\mathbb{P}\$28.288 million. Even in this regard, we see to it that the SPDA is more concerned with the less endowed.

Pre-feasibility activities and initial coordinative efforts were also undertaken in 1981. For other massive corporate and infrastructure ventures to include a rubber plantation and manufacturing projects in Region XII; and integrated Marine Fisheries Development project in Tawi-Tawi; and industrial estate activity in Region XI; integrated Agro-Fisheries projects in Bislig, Surigao del Sur; Libungan, Maguindanao; Hinatuan, Surigao del Sur; Lake Mainit Agusan River Valley area; and Dinas, Zamboanga del Sur; and the 2,033-kilometer \$\frac{1}{2}\$.485 billion Southern Philippines Highway Development Program. Our road development program, which shall be undertaken in full coordination with the MPWH includes the construction of new road systems and/or improvement of existing road networks to include the Malabang-Marawi Wao-Carmen Road; the Dipolog Zamboanga City Road; the Surigao Del Norte-Surigao del Sur-Davao Oriental-Road. The SPDA believes in the imperatives and complementarity of this infrastructure program to any true effort to develop Mindanao.

Allow me at this stage to briefly mention the status of a number of our major corporate ventures. Right here in the very scenic City of Marawi, we have already fully rehabilitated the Marawi Resort Hotel and started the implementation of the Lake Lanao Fish Cage Culture Project. Way out there at the Wao-Bumbaran area, our people are now in the pilotized stage of implementing the Kapatiran Agro-Industrial Cooperative Settlement Project which eventually will transform, perhaps in five-year's time, that forbidding Kalaga Plateau of virgin forests into another community as beautiful as the MSU Community. The SPDA emphasizes pioneering projects to tap the abundant resources of Mindanao.

Our Gintong Biyaya Fish Cage Culture Project in Lake Buluan is now providing people in the nearby areas, and even as far as Davao City, tasty tilapia and milkfish. Our Bagong Lipunan Regional Prawn Hatchery Project in Naawan, Misamis Oriental, which is now fully operational, is now being referred to as perhaps the biggest or one of the most modern Prawn Hatcheries in Asia; and, soon, our 1,200 hectare Bagong Lipunan Fishpond Estate I project in Vitali, Zamboanga City will become the biggest prawn-milkfish polyculture fishpond project in the country's Southern regions.

I wish to emphasize at this stage that in implementing all our on-going projects and planning for other ventures in the future, the SPDA is guided by the basic philosophy enunciated by His Excellency, the President, that the profit motive need not be as sinister as many of us think, especially so, if this is used in growth and development, and in support of some of the basic social or human needs. The SPDA, therefore, does not believe in giving out doles, so it may get nothing from those receiving them. The investments SPDA places in its projects and activities are not intended for nothing. We strive to eventually contribute to the betterment of the quality of life of the million inhabitants of Southern Philippines.

SPDA projects and activities are being implemented in line with the guidelines and prioritized investment areas identified by our government under its national and regional development plans. Our development approach takes full consideration of the resources available or present in each of the four regions in Southern Philippines. The SPDA strategy is likewise aimed at achieving a balanced growth of the whole Southern Philippines. Thus, in Region IX, our emphasis is on the establishment of integrated fishing industries; Region X is aimed for the development of integrated livestock production; While Region XI is geared for light and medium scale industries. Agro-industrial activities are intended for Region XII because of its vast fertile areas.

We have identified the components of our corporate objectives and strategy so that we may be clearly guided by them in all our projects and activities. Any meaningful change for the better in Mindanao must be carefully planned and guided by clear rationales.

Our broad corporate objective of contributing to the balanced growth of Southern Philippines is broken down into its simple components namely: 1) to increase SPDA capability as the primary government corporate agency in Southern Philippines to undertake viable economic developmental ventures in order to harness and utilize natural and human resources to, in turn, generate social benefits: 2) to maintain active involvement in the integrated regional planning and programming for economic and social development; 3) to fully participate in the KKK movement as an accredited agency to provide production inputs, services, technical assistance, and marketing; 4) to contribute to the national efforts in maintaining stable price levels of prime basic commodities; 5) to increase production, sales, and revenues in order to attain reasonable returns on investments: 6) to enhance SPDA'S status as a government-owned corporation; and, 7) to become the best government employer in Southern Philippines.

Our corporate stategy calls for 1) consolidation/integration of on-going projects and activities into subsidiaries along the Integrated Area Development (IAD) concept; 2) conversion of SPDA-supported barangay livelihood cooperatives into Barangay corporations; 3) setting up of industrial estates, agri-business enterprises and rural communication systems; 4) increased production and establishment of an effective marketing organization; 5) expansion of manpower skills development and placement; 6) maintenance of regular interaction and coordination with other government and private agencies involved in the development effort; and 7) implementation of viable economic ventures as those approved by Batas Pambansa Blg. 132 (Integrated Sea-Farming Projects in Tawi-Tawi, Integrated Poultry Project, Rubber Plantation and Manufacturing Project, and an Industrial Estate).

It may be either premature at this stage, or too narcissistic on our part to claim before you now that with these objectives and strategy, coupled with our familiarity with what many people see as unique characteristics of the people and area of Southern Philippines, we are succeeding in our task of initiating and implementing essentially viable economic ventures in our assigned area of responsibility. We strongly believe, however, that what we need most in Mindanao now before we can embark on full scale development activities is a strong commitment to the furtherance of all development efforts in Southern Philippines. If it would now appear that the

projects and activities I have previously briefly described are too massive and ambitious, it is because the SPDA intends to dramatize that our requirements for the attainment of a better quality of life could not be imagined instability and apparent neglect, providing the strong impetus for the economic progress of Mindanao no longer just requires simple budgetary allocations and half-hearted or anemic efforts. In the implementation of the many projects of the SPDA, we go through the difficult task of inter-agency coordination, planning, pre-feasibility and feasibility studies, and so on. Our people try to dig deep even to the socio-cultural ramifications of economic development to insure that we avoid possible deterrents as what had happened to many a project before. While we claim to know Southern Philippines and its inhabitants more than some of our so-called technocrats, we still exert all efforts to really know the parameters of the difficult task of enhancing or spurring the development efforts in Southern Philippines.

The SPDA, ladies and gentlemen, is not a super-agency. We do not pretend to be able to perform a miracle for our people in Southern Philippines. What we expect from our projects is this: by pioneering in hitherto high risk business to convince our leaders and other potential investors particularly from the private sector that, after all what has been said and written about Southern Philippines and its people, we are still capable of controlling our destinies and fulfilling our ambitions.

Southern Philippines has all the resources for economic development. It has wide tracts of fertile agricultural lands. Fisheries resources are perhaps the richest in the country. There are other renewable and non-renewable minerals in commercial quantities. There is no reason therefore why Southern Philippines could not be as economically progresive as the country's other regions.

SPDA projects are not in anyway hampered by the unstable peace and order condition in the places where many of our activities are undertaken. This is perhaps what differentiates us from the other agencies of the government. For in all projects, we aim to improve first the lot of the less fortunate, the low-income groups, and, yes, even the rebel returnees. The SPDA therefore believes that by identifying our first and direct beneficiaries from those who need the fruits of development more, we have already hurdled the major constraint of the non-involvement of greater number of inhabitants of Southern Philippines in the government's development efforts. This underlies our goals and strategy. We derive a big portion of our strength and dedication from the people of Southern Philippines.