

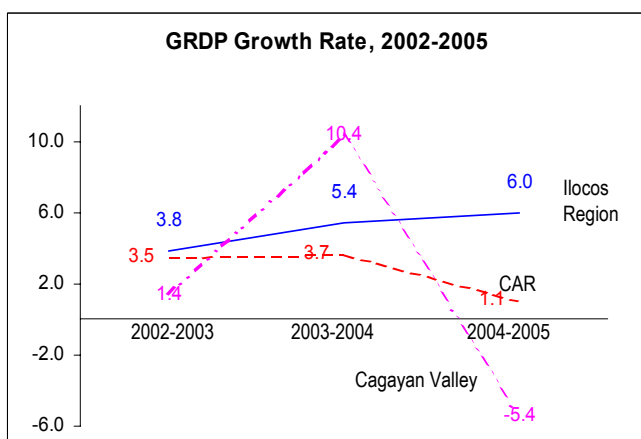
Northern Luzon's GDP Share Continues to Decline

The percentage share of Northern Luzon to the country's Gross Domestic Product (GDP) continued to decline from 7.6 percent in 2002 to 7.2 percent in 2005. This was on account of the decreasing percentage contribution of all the regions and the major sectors of Northern Luzon. This calls for the implementation of more development programs and projects in the area.

Ilocos Region, the biggest contributor to the GDP among the Northern Luzon regions, recorded a generally decreasing trend from 3.0 percent in 2002 to almost 3.0 percent in 2005. The Cordillera Administrative Region (CAR) and Cagayan Valley exhibited the same trend.

The share of Northern Luzon to the country's total Gross Value Added (GVA) for the agriculture, fishery and forestry (AFF) sector slightly declined during the same period. Among the three regions, only Ilocos Region, which was also the biggest contributor to the sector, recorded an increasing percentage share from 6.3 percent in 2002 to 6.7 percent in 2005.

The same decreasing trend was observed for the percentage share of Northern Luzon to the national GVA for the industry and services sectors.



The economy of the three Northern Luzon regions exhibited varying growth trends during the period 2002-2005. The economy of the Ilocos Region continued to accelerate with a 6.0 percent growth in 2005 from a 5.4 percent growth in 2004. The improved performance of the region was accounted to the robust performance of AFF.

Table 1. Percentage Share to GDP, 2002-2005

Region	2002	2003	2004	2005
Northern Luzon	7.61	7.48	7.48	7.21
CAR	2.44	2.41	2.35	2.26
Ilocos Region	3.02	2.99	2.96	2.99
Cagayan Valley	2.16	2.08	2.17	1.95

Table 2. Percentage Share to AFF GVA, 2002-2005

Region	2002	2003	2004	2005
Northern Luzon	13.34	13.16	13.72	13.26
CAR	1.61	1.54	1.53	1.48
Ilocos Region	6.28	6.33	6.33	6.70
Cagayan Valley	5.46	5.29	5.86	5.07

Table 3. Percentage Share to Industry GVA, 2002-2005

Region	2002	2003	2004	2005
Northern Luzon	7.08	6.89	6.81	6.56
CAR	4.67	4.66	4.58	4.39
Ilocos Region	1.37	1.29	1.29	1.29
Cagayan Valley	1.04	0.94	0.93	0.89

Table 4. Percentage Share to Services GVA, 2002-2005

Region	2002	2003	2004	2005
Northern Luzon	5.52	5.48	5.35	5.24
CAR	1.17	1.16	1.13	1.11
Ilocos Region	2.81	2.78	2.73	2.69
Cagayan Valley	1.54	1.54	1.49	1.44

Meanwhile, the economy of CAR experienced a deceleration with a 1.1 percent growth in 2005 from 3.7 percent in 2004. This was largely due to the negative performance of AFF and the slowdown of industry sector. On the other hand, Cagayan Valley's economy recorded a reversed performance as it posted a 5.4 percent contraction in 2005 from a 10.4 percent growth in 2004. This was brought about by the substantial decrease of AFF.