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Cordillera posts modest growth in 2008

The economy of CAR decelerated from a 7.1 percent growth in 2007 to 1.8 percent in 2008 – the slowest growth among the country's 17 regions. The slowdown was brought about by the weak performance of the industry sector.

The industry sector, which comprised 60.7 percent of the region's total output, slowed down from 5.0 percent in 2007 to 0.2 percent in 2008. Construction managed to grow at a pace of 7.1 percent in 2008 due to the continuous but slower growth in public infrastructure. Mining and quarrying shrank by 5.3 percent due to the decline in gold production. The electricity and water subsector slowed down by 6.7 percent in 2008 due to the decrease in power sales. Manufacturing, the major contributor to the industry sector, contracted by 1.0 percent in 2008 due to the decline in semiconductor exports.

The service sector, which accounted for 25.0 percent of the GRDP of CAR, continued to grow but at a slower rate of 5.6 percent in 2008 from 5.8 percent in 2007. Due to the robust growth of business process outsourcing, private services maintained its lead to grow fastest among the service subsectors at 10.5 percent in 2008. Government services more than doubled its previous growth to 5.5 percent. Ownership of dwelling and real estate (ODRE) and transportation, communication and storage (TCS) posted growth rates of 2.7 and 2.8 percent, respectively, while trade and finance only grew by 1.8 percent and 1.2 percent, respectively.

The AFF sector, which contributed 14.4 percent to CAR's economy, failed to sustain its previous double-digit growth to increase by only 2.5 percent in 2008. The positive growth of the sector was largely due to gains in other crops, corn, and palay.

The GRDP measures the goods and services produced in each of the geo-political regions of the country. It provides for an analysis of the regional distribution of the country's GDP, the industries and factors that contribute to the regional economies, and the pace at which these economies are moving on an annual basis. The GRDP is compiled by the National Statistical Coordination Board (NSCB).

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