

**SPEECH OF
HIS EXCELLENCY BENIGNO S. AQUINO III
PRESIDENT OF THE PHILIPPINES
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(To be delivered by Cabinet Secretary Rene Almendras)

In the past four and a half years, we have been building a stronger Philippines on the foundations of good governance; a country where more and more Filipinos have genuine, meaningful options; and a resilient, resurgent, and competitive economy. Despite this, however, we have seen good news often get crowded out. After all, the unfortunate fact is: bad news sells.

I understand that criticism is unavoidable in political life. In fact, I have always welcomed it, as long as it is voiced in earnest, accompanied by concrete suggestions. However, a loud minority seems so intent on propagating negativity, that they have ignored the cold, hard facts, and sometimes, invented facts of their own.

That is why I am thankful for the voices of reason and faith, who manage to rise above the din. They are those who take the time to speak the truth: acknowledging that, though we may not be perfect, we are also making significant progress. Whether it is through a text message, a blog post, or a column in a broadsheet, it is always heartening to know that the good news about government's efforts are not falling on deaf ears.

Their optimism is affirmed, for instance, by the global community's recognition of the great strides our country has made. The Philippines has finally shed the title of "Sick Man of Asia," and has been given a new moniker: "Asia's Rising Tiger." Recently, Bloomberg likewise reported that the Philippines is forecasted to be the world's second fastest growing economy in 2015.

The country's macroeconomic fundamentals are solidly in place: In the fourth quarter of 2014, our economy grew by 6.9 percent. In the first eleven months of 2014 alone, we have already recorded the highest single year net FDI in our country's history at 5.72 billion dollars. Not to mention our reinforced fiscal foundations, which have benefited from the continued confidence of the world's most renowned credit rating agencies. In fact, just a few months ago, we received yet another credit rating upgrade from Moody's, emphasizing all the more that we are worthy of investments.

Since our administration took office, we have climbed several global rankings of competitiveness at a blistering pace: from 85th to 52nd in the World Economic Forum's Global Competitiveness Report, 144th to 95th in the World Bank's Ease of Doing Business Report, and from 109th to 89th in the Heritage Foundation's Index of Economic Freedom, just to name a few.

There has also been undeniable progress in a number of key sectors. Take, for example, that of infrastructure. This is a sector that we have always placed great importance in, knowing full well that developing it redounds to the benefit of industry, and makes us an even more attractive destination for investments.

Over the course of our administration, our budget for infrastructure has more than tripled, going from 175.4 billion pesos or around 1.8 percent of GDP¹ in 2011, to 570 billion pesos in 2015, which represents 4 percent of GDP. This is geared towards the fulfillment of our goal to have the infrastructure budget comprise 5 percent of GDP by next year. The good news is that our DPWH has managed to rehabilitate and construct infrastructure while getting Filipinos the best bang for their buck. There are projects like the Quezon-Araneta Underpass project, which was completed ahead of time and under budget. We also finished projects that had once become symbols of an inept and complacent government. There is the Ternate-Nasugbu Road, connecting Cavite and Batangas, and the Aluling Bridge in Ilocos Sur, both of which were conceptualized over 20 years ago. It was our DPWH, under the reliable stewardship of Secretary Babes Singson, which undertook the construction and completion of those projects.

¹ <http://www.gov.ph/2014/11/19/speech-of-president-aquino-at-the-roundtable-with-business-executives-in-singapore/>

There are also the Public-Private Partnership projects, nine of which have already been awarded, with 16 more projects already in various stages of procurement, or already on the verge of being rolled out. Might I emphasize: the past three administrations only completed a total of 6 solicited PPP projects combined. Just a couple of weeks ago, we approved three PPP projects in the National Economic and Development Authority Board. Since I am speaking to such a diverse group today, let me take this opportunity to invite individuals who share our ambition to explore the possibilities available, and consider partnering with us to fulfill our infrastructure goals.

Philippine manufacturing, once thought to be a waning industry, has likewise found new life, serving as the strongest growth driver of industry in 2014 with 8.1 percent growth. As President, I am fortunate to have witnessed this growth, from attending the inauguration of facilities making luxury bags, to those creating large oil, gas, and mining modules, to those manufacturing different types of systems, equipment, and parts for aircrafts.² Strong exports and robust domestic demand for manufactured goods bode well for the continued strength of manufacturing; but, of course, there is always room for growth. We want output to accelerate, employment to increase, and our place in the global value chain to be improved. To this end, we have allotted 238 billion

² <http://www.gov.ph/2012/10/03/speech-of-president-aquino-at-the-opening-of-the-be-aerospace-inc-facility-in-tanauan-batangas-october-3-2012/>

pesos for the 2015 Manufacturing Resurgence Program. These funds will go to R&D efforts, industry and SME development, and energy source studies, among others.

Another such pillar is the IT-BPM sector. Here, too, we are moving up the value chain, by providing more complex services in accounting and engineering. In 2014, with more than 1,100 companies and more than a million employees, the sector generated estimated sales of 18 billion dollars. At the pace the sector has grown so far, perhaps we can be confident that they will be able to meet their targets of 25 billion dollars in revenues and 1.3 million employees by next year.

Government is likewise doing its part to spur the IT-BPM industry to even greater success. Our administration has spent almost 1.4 billion pesos on training Filipinos for possible employment in the IT-BPM sector, under our Technical Education and Skills Development Authority's (TESDA) Training for Work Scholarship Program (TWSP). We are determined to see the TWSP for IT-BPM expand and benefit more Filipinos, which is why we have given it a budget of over 443.6 million pesos for 2015.

The performance of these industries, and in fact, of the entire Philippine economy, could not have come with better timing. I see two major reasons for this. First, 2015 is the year in which the majority of the Philippine population is expected to reach working age: a so-called

“demographic sweet spot” that lasts for thirty five years. A young and growing labor force can drive economic growth to higher levels in the next few decades; in fact, studies state that countries who experience this can grow by at least 7.3 percent over the ten years that follow immediately.

Second, this is also the year that the Philippines plays host to APEC countries. This is an occasion wherein the spotlight will be focused on the best our country has to offer: the vibrancy of our economy, our countless natural gifts, and, above all, the skill, talent, and the inherent warmth of our people, all sufficient reasons for tourists and investors to visit the Philippines. Without doubt, the Filipino nation will take this opportunity and win the confidence, and perhaps even the hearts, of our guests.

Indeed, many positive developments have taken place under our administration. I, along with many others, remain very hopeful that we can sustain our performance far beyond my term. We have learned the lessons of history: once, long ago, the Philippines was considered a tiger cub economy, poised to become a dynamic force in the region. This opportunity was squandered by inept and corrupt leadership, which led to our being considered by some as an economic basket case.

Now that the Filipino people have lifted us back to global prominence; now that we are a Rising Tiger, I believe that they will do

everything in their power to safeguard the gains we have made. We will make the most of this opportunity, and I invite you to join us. Together with our government, and with the hardworking Filipinos whose innate abilities are increasingly being recognized, you can help usher in an era characterized by meaningful progress, prosperity, and inclusivity, where each person can claim authorship of his destiny. To echo your theme today, I invite you: take a closer look at our country; invest now for inclusive growth.

Thank you and good day.