



2011 PHILIPPINES DEVELOPMENT FORUM
February 26, 2011
Sofitel Philippine Plaza, Pasay City

Opening Statement by the Co-Chairperson
Mr. Bert Hofman
Country Director, Philippines, World Bank

Mr. Chairman, Honorable Secretary Cesar V. Purisima
Honorable Members of the Cabinet, Congress, and the Judiciary, and Officials from the National and
Local Government
Honorable Ambassadors and Representatives from the International Development Community
Distinguished Representatives from Civil Society, Business, and Other Representatives from the
Private Sector
Ladies and Gentlemen:

Magandang Umaga po.

Maligayang Anibersaryo ng EDSA PEOPLE POWER.

On behalf of the International Development Partners, I wish to congratulate and thank the Government for hosting and organizing this year's Philippines Development Forum. This PDF is of special significance – it is the first PDF under President Benigno Aquino's administration and the first regular PDF since 2008. This meeting sends an important signal not only to development partners in the country but also to the global community that the new administration is ready to work with the domestic and international development partners in pursuit of its objectives. This PDF is taking place in a historic week, which signifies the 25th anniversary of the People Power Revolution, and I sincerely hope that the spirit of EDSA, that of unity and vision for a better Philippines, will dominate the discussion today.

We are delighted to see key Cabinet officials at this meeting, which we believe to be an expression of the importance placed by the Government on the multi-stakeholder policy dialogue that is facilitated by the PDF. This is a dialogue not just between the Government and international development partners, but with other domestic and international stakeholders as well, and I am convinced that all international development partners appreciate the participation from the Legislative and Judicial Branches of Government, from the private sector, civil society, local governments, academia, and other stakeholder groups.

To all of you, **malugod namin kayong binabati sa pagdalo ninyo ngayon.**

Since the March 2008 PDF, the policy dialogue has carried on through the various working groups. We also held two special PDFs: one in August 2008 focused on the issue of food security then, and another one in November 2009 focused on post-Onoy and Pepeng disaster needs. Today's PDF carries the theme *Implementing President Aquino's Social Contract to Achieve Inclusive Growth*. The discussion will center around the new Philippines Development Plan, which is to turn the Social Contract into concrete policies and programs that can turn the President's vision into reality, and, for us development partners, can clarify in which areas we can best support the government in implementing its agenda.

After the overview session by Secretary Paderanga, we will listen to presentations organized along the lines of the new cabinet clusters, Governance and Security, Human Development, and Economy. I think it is noteworthy that the Government has determined that the cluster on Governance and Security, to be presented by Secretary Abad, should come first. I believe this reflects President Aquino's popular saying, "*Kung walang korupt, walang mahirap*" or "If there is no corruption, there is no poverty." I also note that the discussion on Human Development, to be led by Secretary Soliman, is scheduled before the session on the Economy led by Secretary Purisima. I believe this to be consistent with the government's emphasis on investing in poor people so that they can benefit from higher growth.

Of course, economic growth remains a key ingredient in poverty alleviation. While the Aquino Administration is off to a good start with record growth in 2010, sustaining high growth for the medium term remains a key challenge. We are looking forward to discuss today the government's plans on how to sustain this growth, which is to create the jobs that would enable poor Filipinos to achieve a better life for themselves and their families. I hope that we will also have a chance to discuss some of the risks to growth, which continue to linger, even as we have entered a post-crisis global economy. The most recent poverty numbers suggest that growth alone is not enough to reduce poverty. Moreover, achieving the MDGs remains a key challenge: for some, the Philippines is tracing its targets, while for others the Philippines is on track, but geographic disparities remain large. Thus, investment in human capital of the poor and protecting the most vulnerable in society remains a high priority. We are looking forward to listening to the government's plans in this regard. Finally, for the Philippines, good governance is not only an aspiration of the Filipino people. It is also a critical ingredient in a better investment climate needed for growth and necessary to deliver government social services in the most efficient way.

Against this backdrop of challenges and opportunities, we hope we can have a good discussion on how the Government and the development partners can join forces and collaborate to sustain growth and ensure that it benefits poor Filipinos. In closing, let me note two points on the PDF itself. First, I believe that the first PDF under a new administration is a good time to review the structure of the PDF working groups. In earlier informal discussions with many of you, I have detected a growing consensus on the notion that in order to best support the government's policy, we can organize ourselves along the lines of the new Cabinet clusters, and I would be happy to hear feedback on this during the day. Second, with the ambitious program of the government, I believe that we, as development partners, should set ourselves equally ambitious targets for our support. I believe we can use the PDF and its working groups even better to align our support behind the program of the government and to closer coordinate our assistance under the guidance of government, so that we can be as effective as possible in achieving results together.

In closing, I would like to note that in the tradition of open dialogue we have developed in the PDF, we encourage participants not to read their statements, but to highlight the main points. All formal statements will be available at the meeting and will be posted on the website. I would also like to draw your attention to the working group statements that are also available. We would appreciate delegates keeping their interventions limited to maximum of 3 minutes.

Mr. Chairman, we look forward to this PDF as a very special opportunity for us to focus on the country's policy agenda and on how we, Government, development partners, and other stakeholders, can collectively support the implementation of the President's social contract to achieve inclusive growth.

Mabuhay at maraming salamat po.