

**PRESIDENT BENIGNO S. AQUINO III's SPEECH
DURING THE PHILIPPINE DEVELOPMENT FORUM
Sofitel Philippine Plaza, Pasay City
February 26, 2011**

Thank you, Secretary Cesar Purisima. Mr. Bert Hofman, Excellencies of the Diplomatic Corps; other cabinet members present; Congressman Dodo Mandanas; our international partner organizations; various members of the business sectors; civil society... fellow workers in government; other guests, good afternoon!

This is the first development forum to be held during this administration, and it comes at the right time. Our nation has always aspired for an economy where the growth powered by private enterprise is felt by a larger number of people. In the roughly eight months that I and my team have been in office, we have witnessed an upsurge of optimism in our economy. In a short span of time, we are fulfilling our promise to curb corruption and to reduce poverty.

We did not need a miracle to make this happen. No wheel was reinvented here. We are simply doing things right. A few things needed to happen, and we worked doubly hard to make them happen. And the result is a transparent, accountable government, worthy of our people's trust.

How did we do this? By taking much more care of how the public funds are spent—we have reformed how the government spends its money, and reduced opportunities for corruption. As an example, in our first month in office, we stopped, and then renegotiated, and rebid some overpriced contracts of the DPWH amounting to almost 1 billion pesos, saving our taxpayers at least 300 million pesos as a result of implementing a transparent and, more importantly, a truly competitive process. We have also managed to generate savings by tapping local innovation. For example, the same department estimates that slope protection of our roads, normally costing an estimate of 3 billion pesos a year, has however been... We have managed to save close to 2.2 billion pesos by adopting coco coir as an acceptable design standard. This has significantly reduced our expenditure for the said endeavor. And all this has been made possible by the inherent creativity of Filipinos. We have also implemented a zero-based budgeting approach to ensure the efficient use of public resources. Budget items are now thoroughly evaluated in order to determine their relevance, effectiveness, and vulnerability to leakages. Programs that were not delivering were terminated, and those that were working enjoyed even more funding. At the beginning of this year, Government-Owned and Controlled Corporations and Financial Institutions remitted over 29 billion pesos in dividends to the national treasury; almost triple the amount of the previous year's. However, in keeping with our commitment to stamp out profligacy in

government, we issued Executive Order No. 24 to put an end to exorbitant allowances and perks in Government-Owned and Controlled Corporations, and tied their compensation to their performance. All of these efforts have freed up resources so we could increase investments in social services to alleviate poverty.

We have increased spending on social safety net programs such as the Conditional Cash Transfer and the expanded PhilHealth programs to give immediate, direct, and substantial benefits to our citizens. We will be helping more than twice the number of families through Conditional Cash Transfers, from today's one million households, to a total of 2.3 million households by the end of 2011. We have also affirmed our commitment to basic education, providing them with the biggest budget increase in a decade. This allocation will go toward providing the resources our students need the most – building classrooms and, more importantly, hiring new teachers.

As you heard earlier today, convergence is a key development strategy. The collaboration of efforts and resources for social protection, poverty reduction, health care, education, and development of rural economies will ensure maximization of resources for greater impact. From encouraging communities to actively participate in their barangay development, as we do in the KALAHI CIDSS areas, to ensuring that agencies pour their resources into the communities that need them the most, as we are doing with our National Household Targeting System and the identification of beneficiaries for both Conditional Cash Transfer and Philhealth expansion, and in ensuring that peace and development goals are addressed hand in hand as we are doing through the PAMANA program – we can tell you with confidence that this is a government that works, works together, and is willing to work with you.

We have also established the Performance Challenge Grants to encourage greater participation from our Local Government Units in the realization of national development goals and priorities, especially in achieving the Millennium Development Goals.

Through our Public-Private Partnership initiatives, we are also optimistic about enticing investors and businessmen to enter into fair, mutually beneficial, and productive partnerships with the government to build infrastructure and to undertake other economic activities in order to generate more employment. Next month, five PPP projects will be offered to private investors for their consideration. We are giving the Filipinos what they truly own, and we are giving them the government they rightfully deserve: one that works for the public interest.

As donors, you can be assured that your money will be better spent under this administration. More importantly, we are here to say that we are not a government that will change the rules in the middle of the game.

Today, as you discussed how to help the government achieve its fiscal and developmental goals, you shared not just your funds, but your knowledge. You shared with us solutions to the problems we are trying to solve.

I am undoubtedly heartened by the fact that I can always count on the support of a broad range of sectors that share our administration's goal of rebuilding this country. Today, through your trust and confidence; and through your expression of solidarity with our agenda of hope, you are helping us inch closer to true development, and for this I sincerely thank you. Rest assured that this trust will not be taken for granted. We have achieved so much in such a short time, and we stand to achieve so much more.

Having just celebrated the 25th anniversary of the EDSA revolution, we have looked back on that fateful event and the promise that it held. In many ways, it is the same promise that is being made in Tunisia and perhaps in Egypt today. But more than just looking back, EDSA allows us to look forward to the day that the benefits of a prosperous society are felt by most of our citizens and not just by a few. And that is exactly what we are working for. That one day, with the help of the institutions you represent, our prosperity will allow us to expand our discussions in these Philippine Development Forums. That one day, we will be talking about ways on how to share the success of this country with other developing nations, already having built a more inclusive society through your assistance.

Thank you, good afternoon. (applause)

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