

FINAL

THE FIRST QUARTER REPORT: SPRINGBOARD FOR 1994

**Speech of H.E. President Fidel V. Ramos
Ulat sa Bayan on the 1st Quarter of Presidency
Ceremonial Hall, Malacañang, Manila
January 3, 1994**

INTRODUCTION

ANG PAGPASOK NG BAGONG TAON AY HUDYAT DIN NG PAGTATAPOS NG UNANG IKA-APAT NA BAHAGI NG AKING PANUNUNGKULAN BILANG PANGULO NG ATING BANSA. MINARAPAT KO NA MULING MAG-ULAT SA INYO KUNG ANO NA NGA BA ANG NAGAWA NG AKING PANGASIWAAN SA NAGDAANG PANAHON AT ANO PA ANG BALAK NITONG GAWIN SA MGA DARATING NA MGA ARAW.

IN THIS PERIOD OF NEW YEAR RESOLUTIONS, LET US ALSO LOOK AHEAD AT HOW I INTEND TO BRING OUR COUNTRY CLOSER, IN 1994, TO OUR GOAL OF "PHILIPPINES 2000!!!".

SINCE THE BEGINNING OF MY TERM, I SET MY VISION FOR A BETTER LIFE FOR THE ORDINARY FILIPINO AND A DIGNIFIED PLACE FOR OUR BELOVED PHILIPPINES IN THE COMMUNITY OF NATIONS.

IT IS TOWARDS THIS VISION THAT I PLACED HIGHEST PRIORITY ON PUTTING OUR HOUSE IN ORDER. TOGETHER, WE FORMULATED A SOCIAL PACT TO SPEED UP DEVELOPMENT -- ONE THAT WOULD ENABLE US TO ENTER THE COMING MILLENNIUM AS ASIA'S NEXT NEWLY INDUSTRIALIZING COUNTRY. I INITIATED PROGRAMS AND REFORMS IN FIVE CRITICAL AREAS TO SET OUR COURSE TOWARDS THAT DIRECTION.

RESTORED POLITICAL STABILITY

FIRST OF ALL, WE HAD TO ESTABLISH POLITICAL STABILITY. WE HAD TO CREATE THE ATMOSPHERE CONDUCIVE FOR ECONOMIC GROWTH: COOPERATION AND TEAM WORK AT THE LEVEL OF THE NATIONAL LEADERSHIP; RECONCILIATION AND UNITY AMONG OUR PEOPLE; PEACE AND ORDER, AND INTERNAL SECURITY NATION-WIDE.

TODAY, WE CAN CLAIM THAT WE HAVE LAID DOWN A FIRM POLITICAL FOUNDATION FOR SUSTAINED SOCIO-ECONOMIC DEVELOPMENT THROUGH OUR ACCOMPLISHMENTS IN FOUR AREAS: THE PEACE PROCESS, A SOCIAL PACT FOR DEVELOPMENT, TOUGH ACTIONS AGAINST WARLORDISM AND CRIMINALITY, AND THE REIMPOSITION OF THE DEATH PENALTY.

THE PROSPECTS FOR A COMPREHENSIVE AND LASTING PEACE HAVE NEVER BEEN SO BRIGHT AS NOW SINCE THE SECESSIONIST MOVEMENT AND THE COMMUNIST INSURGENCY BEGAN A QUARTER-CENTURY AGO.

THE SERIES OF TALKS BETWEEN THE GOVERNMENT AND THE MORO NATIONAL LIBERATION FRONT (MNLF) HAS RESULTED IN THE TEMPORARY CESSATION OF HOSTILITIES IN THE SOUTH. WITH THE RESUMPTION OF THE NEGOTIATIONS IN SULU RECENTLY, I AM OPTIMISTIC THAT THIS WOULD LEAD TO A MUTUALLY AGREEABLE SETTLEMENT SO WE CAN FINALLY HAVE PEACE AND UNITY IN MINDANAO.

OUR TALKS WITH THE MILITARY REBELS HAVE PROGRESSED TO THE SUBSTANTIVE PHASE. I AM LIKEWISE CONFIDENT THAT THIS TREND SHALL CONTINUE AND THE ISSUES RAISED BY BOTH SIDES WILL BE RESOLVED TO THE SATISFACTION OF ALL.

GOVERNMENT'S INITIATIVES TOWARDS THE COMMUNIST GUERRILLAS HAVE LIKEWISE PROGRESSED ALTHOUGH MANY SUBSTANTIVE ISSUES STILL REMAIN TO BE RESOLVED. BUT BOTH SIDES ARE IN CONSTANT TOUCH WITH EACH OTHER, WORKING OUT THE PRELIMINARIES FOR FORMAL PEACE NEGOTIATIONS.

BY REACHING OUT TO THE LEGISLATIVE FOR CLOSER AND BETTER WORKING RELATIONSHIPS, AND TO THE DIFFERENT SECTORS OF SOCIETY FOR SETTING NATIONAL PRIORITIES, WE HAVE BUILT A NATIONAL CONSENSUS FOR REFORM AND POLITICAL UNITY. OUR DIALOGUES AND CONSULTATIONS CULMINATED IN THE HOLDING OF A MULTISECTORAL PEOPLE'S ECONOMIC SUMMIT AND THE FORGING OF A SOCIAL PACT FOR EMPOWERED ECONOMIC DEVELOPMENT (SPEED). THE CLOSER-THAN-USUAL COOPERATION BETWEEN THE EXECUTIVE AND THE LEGISLATURE RESULTED IN THE PASSAGE OF 12 OUT OF 19 PRIORITY ADMINISTRATION MEASURES NEEDED TO PUSH THE COUNTRY FORWARD.

AT THE SAME TIME THAT WE WERE TALKING PEACE AND BUILDING CONSENSUS, WE INITIATED BOLDER MOVES AGAINST CRIMINALITY.

THROUGH THE PRESIDENTIAL ANTI-CRIME COMMISSION UNDER VICE-PRESIDENT ESTRADA, WE SUCCEEDED IN BREAKING UP MANY NOTORIOUS SYNDICATES INVOLVED IN MURDER, KIDNAP-FOR-RANSOM, BANK ROBBERY, AND CARNAPPING.

UNDER "OPLAN *PAGLALANSAG*", WE DISBANDED SOME 450 PRIVATE ARMED GROUPS AND COLLECTED MORE THAN 24, 000 LOOSE FIREARMS, MOST OF THEM STILL SERVICEABLE.

OUR DRIVE AGAINST CRIMINALITY ALSO NETTED SEVERAL ABUSIVE OFFICIALS WHO FLAUNTED THE LAW BY THEIR MONEY, GOONS AND INFLUENCE. SOME MAYORS WHO HAD BECOME LOCAL TYRANTS, AS WELL AS SOME HIGH-RANKING MILITARY AND POLICE OFFICIALS, HAVE BEEN HAULED TO COURT TO ACCOUNT FOR THEIR MISDEEDS.

RENEWED CONFIDENCE IN THE ECONOMY

MORE THAN ANYTHING ELSE, THE RESTORATION OF POLITICAL STABILITY HAS ENHANCED THE OVERALL ECONOMIC CLIMATE. TODAY, THE PHILIPPINES IS PERCEIVED TO BE BACK ON ITS FEET, BACK IN BUSINESS, AT THE GATEWAY TO ASIA AND THE PACIFIC.

INTEREST, INFLATION AND FOREIGN EXCHANGE RATES HAVE REMAINED STABLE. WE HAVE REGAINED THE CONFIDENCE OF THE INTERNATIONAL FINANCE COMMUNITY AS EVIDENCED BY OVERSUBSCRIBED INTERNATIONAL BOND FLOATS BY THE GOVERNMENT AND PRIVATE SECTORS. ACCORDING TO CABLE NEWS NETWORK (CNN), THE PHILIPPINE STOCK MARKET IS NOW THE MOST BULLISH IN ASIA WITH A PERFORMANCE OF MORE THAN 150%. THE SIGNS THAT OUR FINANCIAL STABILITY HAS BEEN RESTORED HAVE BEEN RECOGNIZED BY THE WORLD BANK AND PRESTIGIOUS FINANCIAL AND INVESTMENT FIRMS SUCH AS SALOMON BROTHERS.

ADVANCE REPORTS POINT TO REAL GNP GROWTH IN 1993 OF 2.5%, AND STILL GOING UP.

DESPITE A RECORD 32 DESTRUCTIVE TYPHOONS IN 1993, AGRICULTURE AND FISHERY PRODUCTION ESTABLISHED A GROWTH RATE OF 4.7%. AND THERE WAS A DECLINE IN THE COUNTRY'S UNEMPLOYMENT RATE FROM 10.2% DURING THE FIRST SEVEN MONTHS OF 1992 TO 9.4 % FOR THE SAME PERIOD IN 1993.

THE IMPROVEMENT IN THE ECONOMY LAST YEAR CAN BE ATTRIBUTED TO A NUMBER OF FACTORS.

WE ESTABLISHED AN INDEPENDENT MONETARY AUTHORITY, THE *BANGKO SENTRAL NG PILIPINAS* (BSP), AND PURSUED LIBERALIZATION OF THE FINANCIAL SECTOR AND OF OUR BANKING POLICIES.

WE ACHIEVED FUNCTIONAL UNIFICATION OF THE MANILA AND MAKATI STOCK EXCHANGES UNDER THE PHILIPPINE STOCK EXCHANGE, MAKING AVAILABLE LARGE AMOUNTS OF CAPITAL FUNDS FOR INVESTMENT.

WE BROADENED THE TAX EFFORT WHILE REORGANIZING AND COMPUTERIZING THE BUREAU OF INTERNAL REVENUE TO IMPROVE ITS OPERATIONAL EFFICIENCY.

WE AGGRESSIVELY PURSUED THE DEVELOPMENT OF REGIONAL GROWTH CENTERS NATIONWIDE, LED BY SUBIC BAY'S WELL-PRESERVED INDUSTRIAL INFRASTRUCTURE AND ECOLOGY AND HIGHLY SKILLED VOLUNTEER WORKERS, AND PROMOTED ECONOMIC GROWTH IN THE COUNTRYSIDE, OUTSIDE METRO MANILA.

WE ENCOURAGED SMALL AND MEDIUM ENTERPRISES AND LIVELIHOOD PROJECTS BY COOPERATIVES, AND PROVIDED CREDIT SUPPORT TO THE LITTLE ENTREPRENEURS THROUGH THE LAND BANK OF THE PHILIPPINES AND THE SMALL BUSINESS GUARANTEE AND FINANCE CORPORATION, THUS FUELLING BUSINESS ACTIVITY AT THE FAMILY AND COMMUNITY LEVEL.

WE PURSUED A POLICY OF DIPLOMACY FOR ECONOMIC DEVELOPMENT IN ORDER TO PROMOTE PHILIPPINE PRODUCTS AND SERVICES, AND TO MOBILIZE EXTERNAL RESOURCES FOR INVESTMENT, TRADE AND TOURISM. THE EAST ASEAN GROWTH AREA, CENTERED IN DAVAO CITY, IS THE RESULT OF OUR JOINT ENDEAVORS WITH OUR ASEAN NEIGHBORS.

RESOLVED POWER CRISIS AND OTHER INFRASTRUCTURE INADEQUACIES

PERHAPS THE SINGLE MOST IMPORTANT FACTOR THAT CONTRIBUTED TO OUR ECONOMIC RECOVERY IS THE SUBSTANTIAL EASING OF THE POWER CRISIS.

WE WILL CONTINUE INSTALLING NEW POWER CAPACITY FOR OUR LONG-TERM REQUIREMENTS AND ACCELERATE THE DEVELOPMENT OF INDIGENOUS POWER SOURCES ESPECIALLY GEOTHERMAL, COAL, HYDRO AND NATURAL GAS, SO AS TO LOWER EVENTUALLY THE COST OF POWER TO CONSUMERS.

LIKewise, WE VIGOROUSLY IMPLEMENTED THE INFRASTRUCTURE PROGRAM PARTICULARLY THOSE PROVIDING ACCESS TO REGIONAL GROWTH CENTERS, TOURISM DEVELOPMENT SITES, AND AGRO-INDUSTRIAL AREAS.

WE OPENED UP THE TELECOMMUNICATIONS SECTOR THROUGH EXECUTIVE ORDER 59 THAT REQUIRES INTERCONNECTION AMONG BACKBONE AND LOCAL OPERATORS, AND E.O. 109 THAT MANDATES NEW PLAYERS IN THE INDUSTRY TO PROVIDE LOCAL TELEPHONE SERVICES, EVEN IN REMOTE AREAS.

WE CONSTRUCTED OR IMPROVED SOME 1,000 KILOMETERS OF NATIONAL ROADS, 10,440 METERS OF BRIDGES, AND 115 ROADWAY FACILITIES. WE STARTED THE IMPROVEMENT OF ARTERIAL ROADS CONNECTING THE DIFFERENT GROWTH CENTERS IN MINDANAO AND THE METRO MANILA SKYWAYS PROJECT, TO INCLUDE THE RETURN OF THE MANAGEMENT OF THE METRO MANILA TOLL ROADS TO THE PHILIPPINE NATIONAL CONSTRUCTION COMPANY (PNCC) FOR MORE EFFICIENT MAINTENANCE AND OPERATIONS.

WE STARTED THE UPGRADING OF OUR RAIL TRANSPORT FACILITIES THROUGH THE PNR MAINLINE REHABILITATION AND COMMUTER LINE PROJECTS. WE PURSUED THE IMPLEMENTATION OF THE LRT III PROJECT TO ALLEVIATE TRAFFIC CONGESTION WITHIN METRO MANILA.

WE COMPLETED THE DEVELOPMENT AND IMPROVEMENT OF FACILITIES IN 24 PROVINCIAL PORTS AND INSTALLED 25 ADDITIONAL LIGHTHOUSES NATION-WIDE TO INSURE SAFETY OF SEA TRAVEL. WE ACCELERATED THE MODERNIZATION OF OUR AIR NAVIGATIONAL FACILITIES, SUCH AS IN SUBIC, CEBU, DAVAO, ZAMBOANGA AND THE NINOY AQUINO INTERNATIONAL AIRPORT (NAIA).

ENHANCED AND PROTECTED ENVIRONMENT

IN LINE WITH THE PHILIPPINE STRATEGY FOR SUSTAINABLE DEVELOPMENT AND OUR COMMITMENTS UNDER AGENDA 21 OF THE 1992 RIO SUMMIT, WE INSTITUTIONALIZED MECHANISMS FOR ENVIRONMENTAL CONSERVATION AND PROTECTION.

OUR EFFORTS AGAINST ENVIRONMENTAL DEGRADATION WERE BOLD AND UNPRECEDENTED. WE CLOSED SMOKEY MOUNTAIN AS A GARBAGE DUMP SITE AND ADOPTED A NATIONAL PLAN FOR WASTE MANAGEMENT TO GUIDE LOCAL GOVERNMENT UNITS IN PREPARING AND IMPLEMENTING THEIR PROGRAMS.

WE INITIATED A CLEAN AND GREEN CAMPAIGN, TO BE HIGHLIGHTED BY A NATION-WIDE CONTEST TO DETERMINE THE CLEANEST -- AND DIRTIEST -- LGU'S IN 1994. WE STARTED CLEANING UP THE PASIG RIVER AND THE LAGUNA LAKE AREA, HEIGHTENED AWARENESS ON ZERO WASTE MANAGEMENT IN OUR CITIES AND CAPITAL TOWNS, AND ENCOURAGED THE USE OF LEAD-FREE GASOLINE TOWARDS CLEANER AIR.

WE PROMULGATED THE NATIONAL INTEGRATED PROTECTED AREAS SYSTEM (NIPAS) TO CONSERVE AND PROTECT OUR ECOLOGICALLY-IMPORTANT AREAS, ESPECIALLY WATERSHEDS, MANGROVES, COASTAL AND BAY MARINE PRESERVES AND NATIONAL PARKS.

WE PIONEERED THE CONVERSION OF EXPIRED TIMBER LICENSE AGREEMENTS INTO COMMUNITY-RUN REFORESTATION COOPERATIVES, AS IN EASTERN MINDANAO. WE INTENSIFIED EFFORTS TO PROSECUTE ILLEGAL LOGGERS AND TO REFOREST DENUDED AREAS. SO FAR, THE LIVES OF SOME 222,000 UPLAND DWELLERS HAVE BEEN UPLIFTED THROUGH INTEGRATED SOCIAL FORESTRY PROGRAMS.

WE HAVE STARTED TO DEVELOP SOME 450 AGRARIAN REFORM COMMUNITIES AND PUSHED AGRARIAN REFORM AT A PACE GREATER THAN THE TWO PREVIOUS ADMINISTRATIONS COMBINED.

STREAMLINED BUREAUCRACY FOR GREATER RESPONSIVENESS

THE BUREAUCRACY'S ORGANIZATION AND OPERATIONS WERE CONTINUALLY STREAMLINED TO MAKE IT MORE RESPONSIVE TO THE NEEDS OF THE PUBLIC AND SERVE AS AN EFFECTIVE MACHINERY FOR DEVELOPMENT. THE MEASURES WE HAVE IMPLEMENTED REDUCED THE AVAILABLE POSITIONS IN THE NATIONAL GOVERNMENT BY 4%, OR ROUGHLY 42,000 POSITIONS, A REVERSAL OF THE 9% NATURAL HISTORICAL GROWTH RATE PER YEAR. THE STRICT IMPLEMENTATION OF THE ATTRITION LAW GENERATED SAVINGS FROM PERSONAL SERVICES AMOUNTING TO ALMOST ₱2.0 BILLION.

THE LOCAL GOVERNMENT CODE MEANINGFULLY DEVOLVED POWERS AND FUNCTIONS TO LGU'S, INCLUDING PERSONNEL, MATERIALS, FUNDS, AND OTHER ASSETS. THE AUTONOMOUS REGION IN MUSLIM MINDANAO (ARMM) CHANGED HANDS THROUGH RELATIVELY PEACEFUL ELECTIONS AND IS NOW GEARED TOWARDS DEVELOPMENT AND REFORM, UNLIKE ITS PREDECESSOR.

THE FACT-FINDING COMMITTEE ON BEHEST LOANS UNDER THE PRESIDENTIAL COMMISSION ON GOOD GOVERNMENT (PCGG) COMPLETED THE INVESTIGATION OF 419 CASES, OF WHICH 133 WERE CLASSIFIED AS HAVING A POSITIVE BASIS FOR EVENTUAL PROSECUTION. OF THESE, 75 HAVE BEEN TRANSMITTED TO THE OMBUDSMAN FOR PRELIMINARY INVESTIGATION.

BOTTOM LINE: POVERTY ALLEVIATION

AT THE BOTTOM LINE OF ALL OUR EFFORTS WAS THIS PARAMOUNT CONCERN: IMPROVING THE LIVES OF OUR PEOPLE.

OUR POVERTY ALLEVIATION PROGRAMS FOCUSED ON PROTECTING OUR PEOPLE FROM MATERIAL DEPRIVATION WHILE GENERATING JOBS AND ASSURING STEADY INCOMES IN THE COUNTRYSIDE.

WE GAVE SPECIAL ATTENTION TO THE DEPRESSED COMMUNITIES AND THE 19 POOREST PROVINCES THROUGH THE PRESIDENTIAL COUNCIL FOR COUNTRYSIDE DEVELOPMENT (PCCD). OF EQUAL IMPORTANCE IS THE PRESIDENTIAL COMMISSION TO FIGHT POVERTY (PCFP) THAT PROMOTES OPPORTUNITY AND SELF-RELIANCE AMONG NEIGHBORHOOD GROUPS, HOUSEHOLDS, FAMILIES, AND THE MARGINALIZED SECTORS WHO ARE AMONG THE POOREST OF THE POOR.

WE UTILIZED THE PRESIDENT'S SOCIAL FUND TO SUPPORT 700 PRIORITY PROJECTS IN DEPRESSED AREAS WORTH ₱350 MILLION. THESE WENT SPECIFICALLY TO SCHOOLBUILDINGS, POTABLE WATER SYSTEMS, LIVELIHOOD PROJECTS, AND TRAINING PROGRAMS.

WE EMPHASIZED CREDIT DELIVERY IN THE COUNTRYSIDE, PRIMARILY THROUGH COOPERATIVES, AND ENCOURAGED GRAMEEN-TYPE LENDING PROGRAMS. WITH THE COOPERATION OF MOST OF THE MEMBERS OF CONGRESS, WE PURSUED THE IMPLEMENTATION OF THE LAND BANK'S "5-25-70" PROGRAM TO RETAIN AND LEVERAGE MORE FUNDS FOR COUNTRYSIDE PROJECTS.

TO ADDRESS THE ISSUE OF THE HOUSING SHORTAGE, THE GOVERNMENT'S SHELTER PROGRAM MADE A COMMITMENT TO BUILD 1.2 MILLION UNITS BY 1998, WITH FINANCIAL ASSISTANCE FOR DEVELOPERS FROM THE PRIVATE SECTOR. A DETERMINED MOVE WAS STARTED TO RELOCATE SQUATTERS INTO MORE WHOLESOME RESETTLEMENT AREAS. A DRAMATIC EXAMPLE OF POLITICAL WILL WAS THE TRANSFER OUT OF THE PNB-GSIS FINANCIAL AREA ON ROXAS BOULEVARD OF MORE THAN 34,000 SQUATTERS TO THE PALIPARAN RESETTLEMENT SITE IN DASMARIÑAS, CAVITE.

WE HAVE IMPLEMENTED HIGH-IMPACT AND INNOVATIVE NATIONAL HEALTH CARE PROGRAMS WITH SPECIAL EMPHASIS ON DISEASE-PREVENTION SUCH AS NATIONAL IMMUNIZATION AGAINST COMMON DISEASES, AND THE ACCESSING OF MICRONUTRIENTS TO ENRICH THE COMMON TAO'S DIET.

BOTTOMLINE: GLOBAL COMPETITIVENESS

TO MAKE OUR PRODUCTS GLOBALLY COMPETITIVE AND OUR WORKFORCE MORE PRODUCTIVE, REFORMS WERE CARRIED OUT TO OPEN THE ECONOMY FURTHER, ALLOWING PRODUCTIVE FORCES TO DEVELOP FULLY, AND DEMOCRATIZING EXISTING STRUCTURES AND SYSTEMS.

MEASURES WERE UNDERTAKEN TO LIBERALIZE AND DEREGULATE SUCH CRITICAL AREAS AS TELECOMMUNICATIONS, FOREIGN EXCHANGE TRANSACTIONS, FINANCE AND BANKING, EDUCATION, AND INDUSTRY. GOVERNMENT'S ROLE WAS MINIMIZED IN AREAS THAT COULD BE MORE EFFECTIVELY HANDLED BY THE PRIVATE SECTOR.

PRIVATIZATION WAS AGGRESSIVELY PURSUED, RESULTING IN THE SALE OF LARGE GOVERNMENT ASSETS OR SUBSTANTIAL COMPONENTS THEREOF SUCH AS PHILSECO AND PETRON. WE HAVE INTENSIFIED THE CAMPAIGN TO DISMANTLE MONOPOLIES AND CARTELS INJURIOUS TO CONSUMER WELFARE IN MANUFACTURING, IN THE FINANCIAL SYSTEM, IN THE SERVICE INDUSTRIES, AND WHEREVER ELSE THEY ARE FOUND.

WE PREPARED OUR INDUSTRIES FOR GLOBAL COMPETITION THROUGH THE REALIGNMENT OF OUR FOREIGN POLICY THRUSTS TOWARDS ECONOMIC GROWTH. LIKEWISE, WE INITIATED THE PROGRESSIVE REDUCTION OF TARIFFS AND QUANTITATIVE RESTRICTIONS ON IMPORTS, THE LIBERALIZATION OF THE ENTRY OF FOREIGN INVESTMENTS, AND THE CREATION OF A MORE LIBERAL TRADE REGIME AS REFLECTED IN OUR SUPPORT FOR THE ASEAN FREE TRADE AREA (AFTA) AND THE GENERAL AGREEMENT ON TRADE AND TARRIFFS (GATT).

ALL OF THE FOREIGN VISITS I MADE TO OUR NEIGHBORS IN ASIA AND THE PACIFIC, TO INCLUDE THE UNITED STATES, SERVED TO RECAPTURE THE STRATEGIC ROLE OF THE PHILIPPINES AS GATEWAY TO THIS DYNAMIC AND FASTEST-GROWING REGION. THESE VISITS STRENGTHENED BILATERAL RELATIONS IN A COMPREHENSIVE MANNER, WITH SPECIAL ATTENTION IN INCREASING LEVELS OF BILATERAL TRADE AND INVESTMENT.

INDICATIVE AGENDA FOR 1994

LET ME OUTLINE NOW THE MAIN THRUSTS THAT I INTEND TO PUSH IN 1994, SO AS TO FULLY SEIZE THE OPPORTUNITY FOR A SUSTAINED SURGE IN THE ECONOMY IN THE YEARS AHEAD. THIS YEAR, GOVERNMENT OPERATIONS WILL BE CHARACTERIZED BY BUILDING, PEACE-MAKING AND MODERNIZING. ON THE OTHER HAND, ACTION, PROBLEM-SOLVING AND INNOVATION WILL BE THE YARDSTICKS I HEREBY SET FOR GOVERNMENT PERFORMANCE AT ALL LEVELS, IN ALL DEPARTMENTS AND AGENCIES, IN 1994.

FIVE MAJOR COMMITMENTS GOVERNMENT WILL UNDERTAKE IN 1994:

FIRST, WE WILL PROTECT THE GAINS ACHIEVED IN THE PEACE PROCESS TOWARDS INSURGENTS SO THAT WE CAN FINALLY PUT AN END TO INTERNAL ARMED CONFLICT. AS A PARALLEL EFFORT, WE WILL INTENSIFY THE CAMPAIGN TO UPHOLD THE RULE OF LAW SO THAT WE CAN REDUCE TO THE MINIMUM CRIMINALITY AND CORRUPTION, WITH THOSE IN THE OFFICIALDOM -- THE SCALAWAGS IN UNIFORM AND ROGUE OFFICIALS -- AS PRIORITY TARGETS.

WE WILL MAINTAIN INDUSTRIAL PEACE AND TAKE BETTER CARE OF OUR OVERSEAS CONTRACT WORKERS.

SECOND, WE WILL INSTITUTE GREATER DISCIPLINE IN THE MANAGEMENT OF OUR FISCAL RESOURCES, THROUGH BETTER COORDINATION OF POLICIES, PROGRAMS AND PROJECTS. WE WILL FOCUS ON THE THOROUGH AND TIMELY IMPLEMENTATION OF FLAGSHIP PROGRAMS AND PROJECTS, THE STREAMLINING OF GOVERNMENT OPERATIONS, THE ENHANCEMENT OF PRIVATE SECTOR PARTICIPATION BY WAY OF VARIOUS B-O-T SCHEMES AND PRIVATIZATION OF GOVERNMENT PROJECTS AND FACILITIES, AND THE FURTHER IMPROVEMENT OF OUR TAX EFFORT. WE WILL ENCOURAGE MORE PRIVATE INVESTMENTS BY CONTINUING THE STRUCTURAL REFORMS WE HAVE STARTED, AND MAKE OUR EXPORTS AND OTHER INDUSTRIES MORE GLOBALLY COMPETITIVE.

THIRD, WE WILL PROVIDE VITAL INFRASTRUCTURE SUPPORT FROM GOVERNMENT, IN ORDER TO MOBILIZE PRIVATE SECTOR INVESTMENT PARTICIPATION. IN THIS WAY, WE WILL BE ABLE TO SHIFT MORE GOVERNMENT RESOURCES TOWARDS THE PROVISION OF BASIC SERVICES AND DIRECT INTERVENTION IN THE REDUCTION OF POVERTY. FOR THIS PURPOSE, I ONCE MORE APPEAL TO CONGRESS TO GIVE PRIORITY ATTENTION TO THE PROPOSED NEW BANKING LAW, THE AMENDMENTS TO THE B-O-T LAW TO AUTHORIZE DIRECT NEGOTIATION FOR LARGE INFRASTRUCTURE PROJECTS, AND THE LIBERALIZATION OF THE FOREIGN INVESTMENT ACT TO OPEN UP NEW INVESTMENT AREAS.

FOURTH, WE WILL CONTINUE TO IMPLEMENT OUR ENVIRONMENTAL ENHANCEMENT, CONSERVATION AND PROTECTION PROGRAMS TO ENSURE THAT OUR DEVELOPMENT WILL BE SUSTAINABLE FOR THE BENEFIT OF FUTURE GENERATIONS. THIS WILL ENCOMPASS OUR LAND, SEA AND AIR ENVIRONMENT AS WELL AS OUR BIO-DIVERSE ECOLOGY.

FIFTH, WE WILL CONTINUE TO MAKE THE BUREAUCRACY MORE RESPONSIVE, MORE TRANSPARENT, AND MORE SERVICE-ORIENTED. ASIDE FROM STREAMLINING OUR OPERATIONS, WE WILL UPGRADE MORALE AND WELFARE PROGRAMS FOR PUBLIC SERVANTS TO INCREASE THEIR PRODUCTIVITY AND EFFICIENCY. WE WILL FIRMLY IMPLEMENT THE DEVOLUTION PROGRAM UNDER THE LOCAL GOVERNMENT CODE BY SYNCHRONIZING LOCAL GOVERNMENT EFFORTS, AS WELL AS THEIR REVENUE AND EXPENDITURE PROGRAMS, WITH THAT OF THE NATIONAL GOVERNMENT. AT THE SAME TIME, WE WILL ENFORCE GREATER ACCOUNTABILITY AND SELF-RELIANT PERFORMANCE ON THE PART OF GOVERNMENT OFFICIALS AT ALL LEVELS. WE WILL ENSURE THE IMPLEMENTATION OF REFORMS IN THE GOVERNMENT CORPORATE SECTOR.

THE FLAGSHIP SYSTEM: EFFECTIVE USE OF RESOURCES

ONE FINAL WORD ON OUR 1994 PROGRAM.

TO ACTUALIZE, AT LEAST EXPENSE, OUR SHARED GOALS AS DETERMINED IN OUR RECENT MULTI-SECTORAL PEOPLE'S ECONOMIC SUMMIT, THE EXECUTIVE BRANCH HAS DEVISED A NEW SYSTEM WHEREBY PUBLIC EXPENDITURES WILL BE PRIORITIZED SO THAT OUR SCARCE RESOURCES WILL BE DEVOTED PRIMARILY TO PROGRAMS AND PROJECTS THAT WILL HAVE THE MOST FAVORABLE IMPACT ON THE ECONOMY, ON THE ALLEVIATION OF POVERTY AND ON THE DELIVERY OF BASIC SERVICES.

I REFER TO THE "FLAGSHIP" SYSTEM WHICH THE CABINET ADOPTED DURING ITS YEAR-END DELIBERATIONS ON OUR SOCIAL SERVICES AND ECONOMIC MOBILIZATION THRUSTS FOR 1994, PARTICULARLY THE CORE PUBLIC INVESTMENT PROGRAM (CPIP).

UNDER THIS SCHEME, WE WILL SELECT PROJECTS FROM THE CPIP, BASED ON CERTAIN KEY CRITERIA, THAT SHOULD BE COMPLETED AHEAD OF THE OTHERS. THESE PROJECTS WILL BE GIVEN FULL BUDGETARY SUPPORT IN 1994 TO INSURE THEIR EXPEDITIOUS IMPLEMENTATION.

NECESSARILY, THE FLAGSHIP PROJECTS WE WILL CHAMPION ARE THOSE THAT ARE "DOABLE," WITH THE HIGHEST IMPACT AND WIDEST PUBLIC NEED FOR THEIR COMPLETION. THESE COULD BE IN HOUSING, COMMUNICATIONS, SCHOOLBUILDINGS, TRANSPORTATION, WATER CONSERVATION AND SUPPLY, HIGHWAYS, POWER, AGRICULTURAL PRODUCTIVITY, IRRIGATION, ENVIRONMENTAL PROTECTION AND OTHER HIGH PRIORITY ACTIVITIES IN THE SOCIAL SECTOR. FLAGSHIP PROJECTS ARE CONSIDERED "FIRST AMONG EQUALS" OF THE 400 OR SO PROJECTS UNDER THE CPIP.

FROM ALL KEY INDICATIONS, WE CAN EXPECT A SIGNIFICANT UPTURN OF THE ECONOMY OF 2.5 PERCENT GNP GROWTH FOR 1993. THAT SHOULD BE ENOUGH TO SET THE STAGE FOR MORE SOLID GROWTH OF AT LEAST 4.5 PERCENT BY THE END OF 1994. WE EXPECT THIS GROWTH TO PICK UP STEADILY YEAR AFTER YEAR AS WE APPROACH THE YEAR 2000.

I HAVE LISTED THE FOLLOWING AS FLAGSHIP PROJECTS, AMONG OTHERS:

- * NORTH AND SOUTH EXPRESSWAYS TO INCLUDE SKYWAYS AND SUPPORTING LRT AND RAILROAD SYSTEMS,
- * METRO MANILA TOLLWAYS, INCLUDING THE C-5 CIRCUMFERENTIAL ROAD,
- * METRO MANILA-CLARK-SUBIC EXPRESSWAYS,
- * SUBIC AND CLARK BASES DEVELOPMENT,

- * BATANGAS CITY PORT,
- * NORTHERN LUZON DEVELOPMENT AREA AND CONNECTING HIGHWAYS, SEAPORTS AND AIRPORTS,
- * MARIKINA-INFANTA (QUEZON) CORRIDOR,
- * ANGAT-UMIRAY TRANSBASIN WATER PROJECT,
- * PAMPANGA FLOODWAY PROJECT,
- * BICOL TOURISM PROJECTS,
- * EASTERN VISAYAS RURAL AIR SERVICE,
- * LEYTE GEOTHERMAL POWER INTER-CONNECTIONS TO OTHER ISLANDS,
- * CEBU-BOHOL INTEGRATED AREA DEVELOPMENT
- * PANAY AGRO-INDUSTRIAL CENTER,
- * INTEGRATED STEEL MILL PROJECT IN NORTHERN MINDANAO,
- * MINDANAO ARTERIAL ROADS, TO INCLUDE THE MARAWI CITY-COTABATO CITY HIGHWAY,
- * ZAMBOANGA INDUSTRIAL ESTATE,
- * AND LAST BUT NOT THE LEAST, THE EAST ASEAN GROWTH AREA CENTERED ALONG THE DAVAO-SOUTH COTABATO-GENERAL SANTOS CORRIDOR.

CLOSING APPEAL

IN THE FIRST QUARTER OF MY TERM, WE PUT IN PLACE THE ELEMENTS NECESSARY FOR NATIONAL DEVELOPMENT TO TAKE OFF. BECAUSE OF THESE, EXPECTATIONS ARE HIGH THAT A SURGE IN THE ECONOMY WILL TAKE PLACE THIS YEAR.

WE HAVE GONE ONE-FOURTH OF THE WAY AND WE STILL HAVE THREE-FOURTHS MORE TO GO IN OUR UPHILL MARATHON. MANY PITFALLS WILL HAVE TO BE TRAVERSED AND OVERCOME. BUT I AM CONFIDENT THAT OUR COLLECTIVE ACCOMPLISHMENTS AND REFORMS INSTITUTED DURING THE PAST YEAR-AND-A-HALF HAVE RESTORED OPTIMISM AND PRIDE IN THE FILIPINO. IT IS OUR COMMON DUTY NOW TO WORK TOGETHER TO REALIZE THAT VISION AND HOPE IN THE NEAR FUTURE.

MGA MAHAL NA KAPATID, SA PAGPASOK NG BAGONG TAON AT NG SUSUNOD NA BAHAGI NG AKING PANUNUNGKULAN BILANG PANGULO, PAG-IBAYUHIN NATIN ANG ATING PAGSISIKAP NA MATAMO ANG ATING MGA LAYUNIN. PAGTIBAYIN NATIN ANG ATING TIWALA SA SARILING KAKAYAHAN, ISAISIP NATIN LAGI ANG KAPAKANAN NG NAKARARAMI AT NG ATING BAYAN, AT PAIRALIN NATIN ANG DISIPLINA AT SIPAG UPANG TULUYAN NA TAYONG MAHANGO SA KAHIRAPAN.

NASA ATING MGA KAMAY ANG MINIMITHI NATING KAPAYAPAAN AT KAUNLARAN. BILANG PANGWAWAKAS, UMAASA AKO SA ATING PATULOY NA PAGSASAMA-SAMA AT PAGTUTULUNGAN PARA SA ISANG MASAGANANG KINABUKASAN.

MANIGONG BAGONG TAON MULI AT MARAMING SALAMAT. MABUHAY TAYONG LAHAT!!!

29/02/2024-10:56 AM-Bert/Nor