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**REMARKS BY PRESIDENT FERDINAND R. MARCOS JR.  
FOR THE OPENING CEREMONY OF THE 3<sup>RD</sup> APEC BUSINESS ADVISORY COUNCIL  
(ABAC 3) MEETING**

[Delivered at Nustar Convention Center in Cebu City | 28 July 2023]

Thank you to our Trade and Industry Secretary, Secretary Fred Pascual. *[Please take your seat.]*

The Excellencies of the Diplomatic Corps; the Special Assistant to the President, Secretary Anton Lagdameo; and the Adviser on Investment and Economic Affairs Frederick Go; APAC Business Advisory Council Chairman Dominic Ng; the Private Sector Advisory Council Strategic Convenor Sabin Aboitiz; the APEC Senior Official Matt Murray; participants of the ABAC 3 meeting; partners from the private sector; fellow workers in government; other distinguished guests; ladies and gentlemen. Good morning.

It is a privilege for me to come and welcome you all on behalf of Filipinos here in Cebu and in the rest of the country. And as they say here locally, “*maayong pag-abot*”, or “happy arrival” in our great appreciation for the long way you took to come here to be with us for this meeting.

Comfortable in numbers as we all are, 17 - 31 - 10 carry significant meaning to us, not as the lucky combination of a game of roulette just a few steps from where we are here at NUSTAR; rather, these represent the number of times the words “Equity”, “Sustainability”, and “Opportunity” are mentioned in the main body of the Philippine Development Plan [2023-2028]. That does not even count the adjectival or other speech parts.

For the Philippines, there is no more relevant theme for this year’s Third APEC Business Advisory Council Meeting (ABAC 3).

The last time I spoke before this audience at the APEC CEO Summit in Bangkok last year, I highlighted the need to accelerate our efforts to address structural and policy issues with the view to enabling rapid economic recovery and growth in a swift and sustained manner that creates jobs, draws more people into the mainstream economy, and reduces poverty and inequality.

I also underscored that critical to this effort is our cooperation on issues such as food security, health systems, and of course, climate change.

What should underpin all of these lofty goals toward equity, both within and across our economies. In the Philippines, our long-term *Ambisyon Natin 2040* or our ambition for 2040 envisages comfortable, secure, and strongly rooted Filipinos, where no one is poor or left behind.

We aim to achieve this through, amongst others, strengthening agriculture and food production, industrialization, connectivity, and supply chains; driving growth through tourism, through trade, urban development; providing high-impact social services for health, education, skills uptake, and targeted support; building climate-resilient and green infrastructure that will not only sustain

our economic growth but will also trickle welfare effects down to our most underserved sectors and those with untapped economic potential.

We have quickly mobilized and targeted our efforts to address the needs of the most disadvantaged segments of our society.

In food security and nutrition, we have rolled out food stamps to quell hunger and thus boost productivity, and reintroduced nutrition programs in schools so that our students can focus on learning.

On top of our programs to provide agricultural lands to youth committed to contribute to our efforts in resilient and sustainable food production, our new Agrarian Emancipation Act has condoned the debts of over 610,000 farmers in our commitment to equitable land distribution.

Our efforts will not waver until we will have broadened the provision of credit facilities and other support services, upgraded the skills of our farmers and have provided high technology equipment and facilities, and connected them to demand sources through more and better farm-to-market roads and farm-to-consumer markets.

We welcome the recommendations of ABAC in your 2022 Report to APEC Economic Leaders which includes fostering a sustainable and resilient food system through, among many others, enabling a meaningful and effective partnership with the private sector.

Last year, we established the Private Sector Advisory Council or the PSAC to strengthen the voice and contributions of private sector in government programs and initiatives in order to expedite the achievement of our economic objectives, in recognition of the pivotal role of the business sector in this country's growth trajectory.

Just like ABAC has workstreams, one of our priority areas in PSAC is scaling up agriculture and cooperation between the private sector and the government to enhance food security by introducing programs that will help our farmers and those in the food value chain such as digital farming methods and supply chain improvement strategies.

Now, while our economies have common food security issues, there are other issues that are nuanced according to our unique conditions, our unique priorities, our different policies.

For us, developing this sector means overcoming geographic limitations by strengthening logistics and connectivity, building resilient technologies compatible with our climate and harvest seasons, advancing research and development and agricultural innovation, and also scaling up our production and productivity through the mainstreaming of digital technologies, data, and automation in this traditionally labor- and capital-intensive sector.

Effective cooperation in this regard demands cognizance of the unique challenges and opportunities in our respective economies, so that we can carve a way forward toward the achievement of our collective goals.

It is for this reason that I commend the ABAC Philippines for hosting ABAC here as I urge ABAC Members to not only find inspiration from the surroundings to accomplish the deliverables that you have set out in the agenda of your respective working groups, but to also "leverage" the tools available at your disposal to find a common understanding, be it through the formal and

informal sessions, discussions with guests and experts, or interactions with locals, which this excellently organized meeting has quite neatly lined up.

In line with the recommendations of ABAC, as we engage with the business community, technical cooperation and capacity building play pivotal roles in ensuring that our economies are capacitated to implement our agreements, hasten our development by learning from each other's expertise and experience, and for us to ultimately find complementarities in our economies to not only strengthen our regional value chains but also create new markets and opportunities, and foster equitable growth.

A recent study by McKinsey reveals that the business sector contributes up to 72 percent of GDP, and this is triple the value in 1960, with companies now accounting for 85 percent of technology investment and labor productivity growth.

Like how much of economic growth comes from the business sector, should economies wish to drive economic reforms and structural policy shifts, much of the momentum will also come from the same sector.

Today's global challenges such as climate change, ocean waste and pollution, shift to clean energy, smart city agglomeration, they all require the economies the transformation of economic and business activities to ensure that these critical issues are effectively addressed, but in a sustainable and resilient manner.

For our part, we stay committed to our nationally determined contributions, but we also have shifted the global discussion on climate change by now focusing on scientific findings and undertaking practical actions that may immediately be implemented on the ground, including through localizing our climate action plans; launching a Sustainable Finance Roadmap to encourage public and private investments in green projects and a sustainable finance framework for sovereign green bonds; pushing for a ban on single-use plastic and encouraging circular economy approaches; and not least, embarking on projects to accelerate the transition to clean energy.

The business sector, as not only a major contributor to the economy but also the most aggressive agent of change in our society today, has a role to play. I see three areas of partnership to advance our efforts toward sustainable growth and climate action.

First, the government and business sector must come together to identify practical, pragmatic, and promising solutions to sustainably address pressing issues like energy insecurity, the triple threat of climate change, pollution, and biodiversity loss.

Striking a balance between being prescriptive and affording especially developing economies with policy space, we can pursue innovative technologies and approaches; for example, in the exploration of nuclear energy and small modular reactors as viable options for low or zero carbon energy sources.

In the Philippines, we have identified the use of renewable energy as the top of our climate agenda and we need all the support of the business sector to see this through fruition.

Shared investment would alleviate the financing burden of governments, while the expertise of businesses in areas such as planning, operations and execution, and ensuring returns can be mainstreamed in the sustainability projects of the government.

There are benefits to utilizing data and models that come only from business activities. Let me cite for you an example.

In designing the green transition of our transportation sector through the use of sustainable and clean fuels, building of green corridors, and modernizing our public transportation, we need to analyze fleet capacity and travel time, fuel consumption, and other data to enable us to make informed decisions on projects.

To extend this further, data templates, indicators, and baselines across our economies have to be standardized so as to facilitate data collection and exchange which will, in turn, strengthen the technical cooperation within APEC.

Finally, we need not only the cooperation but the leadership of the business sector in setting up standards on responsible business conduct that will encourage sustainable practices while balancing rapid growth, not a simple job to do.

Opportunities abound for our people if APEC preserves its strength as an incubator of ideas, driven in large part by the significant contributions of ABAC and the dynamism of the business community in our region. We have proven this in some of our agreements that have made their way to the multilateral trading system.

To this end, digitalization and innovation continue to provide an enabling environment for our (1) regional economic integration through the use of tools to bridge the digital divide and narrow the development gap, (2) just, inclusive, and sustainable transition by upskilling our workforce and providing green jobs, and (3) strengthening structural reforms and macroeconomic fundamentals by promoting positive economic shifts.

There are several opportunities from the imminent Industry 4.0 or Fourth Industrial Revolution and clean economy transition.

On our end, we have to set out roadmaps to ensure that we capture these opportunities while addressing the concomitant challenges. Establishing a dynamic and innovative ecosystem is one of the cross-cutting strategies in our transformation agenda.

Amongst others, we have enacted and enforced e-Commerce, e-Governance, and innovation, and have also made legislative reforms to make our business environment more conducive to the next generation's trade and investment, including Foreign Investments Act and the now active in the Philippines, RCEP. Just last month, we certified as urgent the Public-Private Partnership Act.

Our multilateral efforts also serve to enable the inclusive development of our sectors with untapped economic potential. Micro, small, and medium enterprises, MSMEs, make up the majority of our businesses and sources of employment. Thus, it behooves us to equip them with digital tools and skills to enable their participation in the digital economy.

It is in this light that I am heartened to receive the recommendation of ABAC to form a successor initiative to the Boracay Action Agenda to globalize MSMEs. With the ambitious agenda set by the US this year for their APEC hosting and the upcoming SME Ministerial Meeting, I am certain that actions will quickly follow our intentions.

Friends, the road, or maybe more appropriately, the ocean to San Francisco in November, is not long. But I trust that, as in the previous years, ABAC will deliver meaningful outcomes.

I commend ABAC United States for its leadership, and all the ABAC Members for the hard work that has been put in. I understand that ABAC 3 is especially challenging with the number of upcoming high-level meetings and the AELM where I look forward to seeing you again. Rest assured of the Philippines' full commitment and support.

Thank you for this opportunity to address such an esteemed audience.

To all of you, "*Padayon*," which means "proceed" or "carry on" in the local language, and *mabuhay!*

Maraming salamat po. Thank you all very much and good morning. [*applause*]

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