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## 4<sup>TH</sup> STATE OF THE NATION ADDRESS

**His Excellency Benigno Simeon Aquino III**

**President of the Philippines**

*This is an English translation of the SONA delivered at the Session Hall of the House of Representatives, Batasang Pambansa Complex, Quezon City, on July 22, 2013, 1530 Manila Time*



President Benigno Simeon Aquino III delivers his Fourth State of the Nation Address (SONA) during the Joint Session of the 16th Congress at the Batasang Pambansa (National Legislative Assembly) in Quezon City on Monday, July 22, 2013. The SONA delivered by the President is a yearly tradition wherein the Chief Executive reports on the status of the country, unveils the government's agenda for the coming year, and may also propose to Congress certain legislative measures. (Photo by: Benhur Arcayan / Malacanang Photo Bureau).

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Vice President Jejomar Binay; Senate President Franklin M. Drilon; Speaker Feliciano Belmonte Jr.; Chief Justice Maria Lourdes Sereno and the eminent Justices of the Supreme Court; former Presidents Fidel Valdez Ramos and Joseph Ejercito Estrada; distinguished members of the diplomatic corps; honorable members of the House of Representatives and of the Senate; our leaders in local government; members of the Cabinet; members of the military and police in uniform; my fellow public servants; and, of course, to my Bosses, the Filipino people, a pleasant afternoon to all.

This is my fourth SONA; only two remain. Almost four years have passed since I was approached by various camps to urge me to run for the presidency. They said: "We know that our country's problems cannot be solved in the blink of an eye, in one year, or even within the six-year term of a President. But just begin, and we will be one with you in nurturing change."

Even then, I was aware of the significant problems that I would have to face. From being a candidate, to being President, or even after I step down from office, the difficulties I will have to face are no joke. Widespread transformation of society is my objective, and I am aware that there are many things and many people I would have to confront in order to achieve this. But I was not raised by my parents to back down in the face of challenges. I would not be able to live with myself if I had refused the chance to alleviate the suffering the Filipino should not have to endure.

We have answered the call, and those who have been with us from the start have only grown in number. I believe that if what I have been doing is right, then our allies will only grow. Just this May, I asked you, Boss, are we going in the right direction? Your reply: "Yes, and let us accelerate the transformation of society." I asked for allies that would help steer the country in one direction, and you delivered. The truth is, not only the majority, not even nine of twelve, but nine of the top ten senators are individuals that I recommended to you. The message of the past election is clear: Yes, let us keep going, let us add to the 8,581 sitios that we have electrified; let us add to the 28,398 families who were once informal settlers but who finally have, or will soon have, decent homes; let us increase the not less than 40 billion pesos in additional funds that go to education, health, social services, and many others because of the right and more efficient collection of taxes; we feel all the other tangible signs that society is truly changing. I have become even more optimistic because of your message; it is clear that I am not alone in carrying these responsibilities. How can I not be encouraged, when even the likes of Mr. Niño Aguirre are helping shape our future? Just think: Though unable to walk, he climbed all the way to his fourth-floor precinct, just so that he could vote and contribute to true social transformation. Thank you, Mr. Aguirre.

There is no shortage of Filipinos who are ready to pitch in, and this is the source of the change we now experience. The strategy—maximize opportunities for all, especially for those most in need. We are not content to wait for the trickle-down effect; we cannot leave their fate—their receiving the benefits of progress—to chance. What we call inclusive growth—this all-encompassing progress—is the principle that drives every initiative, every action, and every decision of your government. The only ones who will be left behind are those who chose not to venture onwards with us, simply because they did not seize the opportunity.

The basis for this principle: Widespread opportunity is the key to comprehensive and sustained progress. Let us not forget that these opportunities are but seeds. We must water them with diligence, nourish them with determination, and cultivate them with dedication. Let us take a

look at our TESDA-DOLE scholars. Of the 503,521 people who have graduated from their programs, an estimated six out of ten have found jobs. Before this, according to studies conducted by DBM, from 2006 to 2008, only 28.5 percent of TESDA graduates found jobs. Last year, under TESDA's IT-BPO program, 70.9 percent of the graduates found employment. Under the electronics and semiconductor program, the percentage of employed graduates reached 85 percent. It is clear: You are the ones who will shape this growth, you are the ones who will determine whether the fruits of our labors become sweet and ripe for the picking, or if you will let them rot away and waste the chances that this new chapter in our history has given us.

Let us go through everything one by one. Our objective to expand the reach of the Pantawid Pamilyang Pilipino Program: achieved. The over 700,000 household beneficiaries we found upon coming into office in 2010 have now grown to almost 4 million households in the three years of our administration.

There is more: According to research conducted by the Philippine Institute for Development Studies, compared with those who only finished the elementary level, the income of high school graduates is 40 percent higher. Is it not right that we maximize the help we give these families, so that our young beneficiaries can finish high school, thereby helping them make the most out of the benefits of this program? That is why next year, families with children up to 18 years old will be included in this program so that their children will be able to finish high school.

Let us move on to education. Our goal is to raise the quality of learning that our children undertake, so that once they finish their schooling, they can seize the opportunities now opening up in society: accomplished. We have finally erased the backlog we inherited in books and chairs, and if Secretary Armin Luistro continues to demonstrate true grit, even the backlog we inherited in classrooms will also be erased this year. And there is even more good news: Now, we also have the ability to prepare for the additional needs that the implementation of the K to 12 program will require.

The problems that plagued Brother Armin in the DepEd are no laughing matter. Just think: one textbook used to be priced at 58 pesos; since he assumed office, the price of the exact same textbook has gone down to 30 pesos. What would have happened if we had been paying the proper price from the beginning? If we had saved the difference of 28 pesos for all the books bought, at five textbooks for each of the estimated 20.7 million students in our public school system, the equivalent would amount to almost 2.9 billion pesos. These savings alone could have funded our plans to repair and rehabilitate around 9,502 classrooms.

If Brother Armin didn't have strength of will, he could have just left this culture of negligence in his agency for his successor to deal with. He could have also left the backlog, as well as the growing gap of needs because of the rising number of enrollees each year. But instead of being content, instead of saying, "This will do. My job is done," Brother Armin will build even more chairs and classrooms, and will buy even more books, to ensure that even the needs in future years will also be met.

Regarding the strengthening of our agricultural sector, this has also been achieved. Just think: According to the NFA, in 2010, the country imported more than 2 million metric tons of rice. In 2011, this fell to 855,000 metric tons. In 2012: 500,000 metric tons. And now in 2013, the maximum we will import, including the private sector, will be the minimum access volume of 350,000 metric tons. This includes the 187,000 metric tons of reserve buffer stock in case

typhoons arrive one after the other; in all likelihood, even the private sector will no longer have to import rice because we are still on track to becoming self-sufficient in rice. In addition to that, we have begun exporting premium quality rice. We have truly come so far from those days when it was said that we could not even feed ourselves.

The proof is in the data: This sector grew 3.3 percent in the first three months of 2013. This is triple the 1.1 percent growth it recorded in the same time period in 2012. That is why we continue to sow initiatives that will certainly bear the fruits of even greater progress for our farmers.

For example, the coconut sector. According to research conducted in 2009, coconut farmers make up one of the poorest sectors in the country. Let us look at the process of growing coconuts: Once planted, farmers wait seven years for the coconut tree to bear fruit; but after this, two generations will be able to benefit without doing anything else apart from harvesting the fruit. We have the potential to vastly increase the income of this sector if we can foster a culture that truly encourages hard work and productivity. The solution: intercropping.

The government will help you to strengthen your coconut farms; but in exchange, you will be required to sow different kinds of seeds in between the rows of coconut trees. Doing so will raise the frequency of crop harvests, and depending on what they plant, their income will also increase. If they grow only coconuts, the farmers would earn about 20,000 pesos a year per hectare. But if they add coffee, they could reach about 172,400 pesos a year; if they add bananas, they could earn 102,325 pesos, while adding cacao would give them 89,000 pesos. Isn't that such a huge difference?

We have already begun laying down initiatives for this: In 2012, we were able to use 5,500 hectares of land for intercropping in 90 different locations throughout the country. This program covered 10,000 farmers. Our target for 2013: an additional 434 sites for coconut intercropping.

We are also now steering our fishermen towards more productive waters. Think about it: our fishing industry contributed 193.65 billion pesos to our economy in 2012. In spite of this, based on a study last conducted in 2009, 41 percent of our fisherfolk still live below the poverty line. They are the ones who catch the fish, but all they have on their dinner tables are fish bones.

That is why various government initiatives are in place to help free our fisherfolk from the broad net cast by poverty. An example would be our initiative for Bataraza in Palawan. The waters here brim with fish. But because the fish cannot be brought to the merchants on time, still fresh, the fishermen end up having to dry the fish and sell tuyo instead. It is such a waste, because every three kilos of lapu-lapu is only equivalent to one kilo of tuyo. What if the freshness of the fish could be preserved in a cold storage facility? You could go to the merchant and still sell your catch at full price. You would exert the same amount of effort, but you would receive the right compensation for it. That is why the cold storage facility in Bataraza has already been built. In addition, we are also constructing new piers in strategic areas to raise productivity and income. We are constructing and adding new roads, bridges, and other kinds of infrastructure, including various services, for our fisherfolk.

The DILG, BFAR, and Coast Guard are also tightly monitoring irresponsible and unrestrained forms of fishing; this I ask of our fishermen: allow our fish to repopulate. I ask for your

solidarity in caring for your own livelihood. As you no doubt see, the state has already opened up opportunities for you, but the result is in your hands.

If there is one topic my name is often associated with, that would have to be Hacienda Luisita. I would like to inform you that back in February, in compliance with the decision of the Supreme Court, the Department of Agrarian Reform has completed the list of qualified beneficiaries for the land in Luisita. According to Secretary Gil de los Reyes, the process to determine the beneficiaries' lots began last week, and the turnover of these lots will begin in September of this year.

As for other large tracts of land: We have long tasked the DAR, DENR, LRA, and Land Bank to develop a framework for speeding up the parceling out of land. I would like to remind everyone: Correct data is the first step to the orderly implementation of CARPER. But we inherited a land records system that is problematic and defective. This is why, from the start, the DOJ, LRA, DENR, and DAR have worked to fix this system, and now we are at a point where we can guarantee that in the next year, all notices of coverage will have been served for lands covered by comprehensive agrarian reform.

It is clear: The state was established to serve you. If you have health problems, the government must care for you; in times of illness, it should be there to give aid and support. What has our government done in this regard?

Our goal to extend PhilHealth coverage to more of our countrymen has been achieved. When we began, 62 percent of Filipinos were enrolled; now, that number stands at 81 percent. The remaining number still not on our lists are those we are seeking to identify, including those in the informal settlers' and indigenous people's sectors. We are counting on the cooperation of our local governments to ensure that all of our countrymen are enrolled in the system.

It is not just PhilHealth's roster of enrollees that is growing: so is its scope of services. The past year saw the launch of the Z Benefit Package. This past February, this was upgraded with the Expanded Z Benefit Package. The poorest of the poor can now get free medical care at public hospitals for more medical conditions than ever before. Last year, breast cancer, prostate cancer, and acute leukemia were included on the list of covered conditions; today, coronary bypass, and corrective surgery for holes and defective blood vessels in the heart, are also included in the package.

All these health benefits would go to waste if our health care facilities are substandard, or inaccessible to our countrymen in the provinces. This is why we have gone all-out in funding health care infrastructure projects: These past three years, we have budgeted a total of 33 billion pesos for the improvement and modernization of 4,518 hospitals, rural health units, and barangay health stations nationwide. Among these are Region 1 Medical Center in Dagupan City, which has successfully completed five kidney transplants in the last year; the Bicol Regional Training and Teaching Hospital in Legazpi; the Vicente Sotto Medical Center in Cebu; and the Northern Mindanao Medical Center in Cagayan de Oro, which, according to Secretary Ike Ona of the DOH, now have the capacity to perform open heart surgery due to upgraded facilities and equipment. There is also the Davao Regional Hospital in Tagum City, the first cancer center outside Metro Manila.

Regarding disaster preparedness: Our goal to develop mechanisms to protect the Filipino people from natural calamities, we have also achieved. Among these are the effective services brought about by the joint forces of the Geohazard Mapping and Assessment Program and



Project NOAH of the DOST. This past year, we completed a multihazard mapping of the 28 most vulnerable locations in the country. A similar endeavor for the Greater Metro Manila Area will be completed by 2014. Geohazard maps for 496 cities and municipalities have also been completed. The remaining 1,138 covering every last corner of the country will be finished before the end of 2015. Not only have these maps increased in number, they are also more detailed and refined, which is why we will be able to more accurately identify high-risk areas.

From the time Project NOAH was launched, a total of 525 automated water level monitoring stations and automated rain gauges have been installed in 18 major river basins throughout the country. We also continue to modernize our weather detection technology, with Doppler radars, tsunami detectors, and alerting sirens.

But simply distributing high-tech equipment and new technology is not enough. We also need to train the end-users of this equipment in understanding, using, and disseminating the information gained. When the weather is bad, they no longer rely solely on wind speed for their forecasts; they can also predict the volume of rainfall, and they can provide correct and timely warnings so our communities can prepare accordingly.

We are also remedying the problem of flooding in Metro Manila. Imagine: When Ondoy hit, an estimated 3,600 cubic meters per second of rainfall flowed down from the Sierra Madre. But the capacity of the channels through which these flowed can only support 1,000 cubic meters per second. Where would the difference of 2,600 cubic meters per second go? These are the sudden torrents of water that overflow into low-lying areas and become flash floods.

Haven't we all heard before that "waterways are inalienable?" What this means is that the channels through which water passes should be for that purpose alone. The problem is, in addition to the lack of adequate drainage, certain structures are built, obstructing these drainage systems, a situation compounded by the trash of those living around it. To solve this problem, we are coordinating with our LGUs to safely and successfully relocate our informal settlers. In addition, a legal team led by Secretary Leila de Lima is preparing to file cases against those who have closed or obstructed our waterways.

We are not content with simply passing the blame and pointing fingers. Our action: an allocation of 6.2 billion pesos to prevent flooding throughout Metro Manila. This includes the construction of the Blumentritt Interceptor Catchment area. The entire project is 3.3 kilometers in length; and once it is completed, it will be able to catch the equivalent of 14 Olympic-sized swimming pools of water. When the rains hit, the rainwater now has somewhere to go, and will no longer accumulate on our streets. This project was started in March, and we aim to complete it by next year.

Government has been fulfilling its obligation to the people, but let us ask ourselves: How have I contributed to the solution? If someone dumps trash into a river, confront them; if you see a building being built above a creek, report it to the correct authorities. We will only drown in our problems if we do nothing.

Even after the storms have passed, our work to restore normalcy to the lives of calamity-struck families does not end. Through the cooperation of the government, and the private sector, 9,377 houses have been erected for the victims of typhoon Sendong. An additional 4,374 homes will be built before the end of the following year. We ask for patience and understanding, the process has been delayed because of the complex process of land

acquisition; in truth, if discussions on other tracts of land go well, we will be able to construct an additional 2,719 houses.

We also aim to turn over a total of 53,106 homes to our countrymen who were left homeless by the onslaught of typhoon Pablo. We began to hand over houses in May; and we will complete another 17,609 homes by the end of the year. And by the time we finish the 35,447 homes still to be completed by 2014, all the families who felt nature's wrath will once again find shelter under their own roofs.

Still on the subject of housing, this time for our men and women in uniform: More than a year ago, we had already built 21,800 housing units for our police force and soldiers. For Phase II of this project, we have already built an additional 26,050 homes out of our target of 31,200, and the rest will be completed by next month.

Apart from housing, livelihood projects are being implemented for the benefit of our troops. Several thousand hectares of land in three of our military camps—namely, Fort Magsaysay in Nueva Ecija, Camp Kibaritan in Bukidnon, and Camp Peralta in Capiz—will be the venues for these livelihood projects, which will give our soldiers additional income through plantations of bamboo, coffee, cacao, and palm oil. If before, soldiers were concerned solely with defending us, now, even military retirees can participate in improving our economy.

But our quest to find solutions to all the other problems we inherited regarding national defense does not stop here. Consider this: In 1986, there were an estimated 250,000 policemen and soldiers protecting a total of 55 million Filipinos. Today, we still have an estimated 250,000 policemen and soldiers, who protect 95 million Filipinos. Our population has almost doubled, while the number of our protectors has not changed.

We are sure to have critics who will say "Is this really a problem? Just add more policemen and soldiers. You can even reduce unemployment that way." If only it were that simple. Let us look at the situation. The common pension scheme works like this: both members and employers contribute to the pension. Their contributions serve as capital for reinvestment, and the gains of these investments will in turn fund the retiring members' pensions. But what is the true situation of the AFP and PNP pensions? No contributions have been made, but there are payments to make. Apart from this, the pensions of retirees have been indexed to the salaries of active personnel. This means that if the salaries of those in the service increase, so too will the pensions received by retirees or qualified families. Yearly, there are more and more men and women retiring, so, naturally, the obligations that must be paid out also increase. What is worse is that funds from the national budget are being used for these growing obligations: In 2012, 54.48 billion pesos were spent on soldiers' and policemen's pensions. This year, that figure will rise to 61.29 billion. By 2016, it will be at 80.64 billion. Our pension deficit will keep growing and growing and growing, eating into the budget allocation for other social services. How then do we add more servicemen, given such a context?

We need a system that fulfills our civic obligations to our policemen and armed forces; and it is likely that we will request the assistance of the GSIS in this regard. We are currently studying the feasibility of using reclaimed land to generate funds that will form part of the solution. After all, we cannot surprise the GSIS and ask them to account for the entirety of our needs, which is why an even more thorough study will be conducted to create a fair, sustainable, and clear mechanism for the pensions of PNP and AFP personnel. I call on Congress today: Let us review PD 1638 and RA 8551 to ensure that these pensions are timely, and balanced against national needs.

We see an equivalent solution for the problems that the SSS pensions will soon face. Consider that, since 1980, across-the-board pension increases occurred 21 times, but actual pension contribution increases only occurred twice. As a result, the SSS has accumulated an estimated 1.1 trillion pesos in unfunded liability. According to a study done in 2011, this shortfall will increase by 8 percent per annum, eventually resulting in the complete consumption of the fund 28 years from now. If this happens, the next generation is certain to suffer.

We believe that it is time to amend the SSS Pension Scheme. We must establish measures that remedy the outflow of funds. If we add 0.6 percent to the contribution rate, it will immediately deduct 141 billion pesos from the unfunded liability of the SSS. If we begin to invest in our future today, no further problems will be handed down to the next generation of Filipinos.

When it comes to our national police, our goal to strengthen their capabilities so that they may better fulfill their mandate: accomplished. Beginning this 2013, 30,000 policemen will finally be able go back to doing police work because we will be hiring civilian personnel who will focus on administrative work. After all, the skills and abilities of our police would be put to waste if we keep them imprisoned in the four corners of an office.

At the start of July 2013, we began distributing new units of 9mm Glock 17 pistols to our police. This is just the beginning: We are slated to distribute a total of 74,879 firearms among our police force, in keeping with our goal of a one-is-to-one police-to-pistol ratio.

These investments in our national police will yield abundant benefits, especially since this redounds to more efficient and reliable public service. Is it not true that we have gotten used to news of violence during elections? Oplan Katok directly addresses this. The goal of the program: track down loose firearms, which ensures that the guns we have licensed are in the possession of those authorized to do so. The police have knocked on a total of 491,929 front doors for the renewal of licenses. This contributed greatly to our campaign for Secure and Fair Elections, which yielded a 63 percent reduction among private armed groups—from the 112 during the 2010 elections, to just 41 this 2013. And from the 189 incidents of violence recorded in 2010, we have recorded only 77 confirmed incidents for the recently concluded election.

Let us use ARMM as an example. Governor Mujiv Hataman has said that he could not remember a time in his life when Lanao del Sur did not suffer a failure of elections. We should note that this was the first time that the ARMM elections were synchronized with the national elections. This means that, in the past, the full force of the State was focused on just one region, and yet it still had to call for a failure of elections. This 2013, because our uniformed forces had to safeguard elections across the entire country, there were those who thought the situation in ARMM would only get worse. But we have seen how vastly it has improved: ARMM successfully held a clean, safe, and fair election; votes were counted, and those whom the people charged with new mandates were proclaimed. Because of the diligence of our police force and of our soldiers, and the coming together of the nation, the 2013 elections were more peaceful.

But there are still incidents that sully our police force's honor. We know of what happened to the members of the Ozamiz Gang—Ricky Cadavero and Wilfredo Panogalinga—who were caught, only to be killed. As with our investigation of the Atimonan incident, we will ensure



that those at fault will be held accountable—regardless of their rank. Whoever masterminded all of this: prepare yourselves. I am close to learning who you are.

Despite these incidents, my confidence in and hope for our police remain high. They have never wanted for exemplars like PO3 Edlyn Arbo, who, despite being off-duty and unarmed, bravely confronted a mugger who embarked on the jeep she was on, and pursued him. There are also those like PO3 Felipe Moncatar, who has received countless commendations because of the growing list of criminals he has put in jail—I heard you've just apprehended another member of a syndicate—including members of carjacking syndicates and some of the most wanted in Bacolod. You may have also heard about PO2 Dondon Sultan. A car broke down along Quezon Boulevard, and PO2 Sultan stopped and offered his assistance. He did not just change a tire; he also helped bring the car to a mechanic. As thanks for his service, PO2 Sultan was offered 1,000 pesos—an offer he declined. He said, and I quote, "Our job is to help our countrymen." We salute those of you who truly serve the public. You are proof that honest and capable policemen are not an endangered species. I have already instructed Secretary Mar Roxas of the DILG and Secretary Voltaire Gazmin of the DND to ensure that those like you in our uniformed services reap the appropriate rewards.

Add to these our disaster relief workers from many branches of government, as well as volunteers from the private sector. I know that it is not easy to battle floods, dig through mud, and confront calamities. I will not tire of recognizing your contributions to our society; I salute the way you have offered yourselves to help in lessening the suffering of our countrymen.

Peace is also within reach in a region that has long been torn apart by conflict. In October of the previous year, the Framework Agreement on the Bangsamoro was signed. In truth, just nine days have passed since the signing of the second annex of the agreement. We are confident that we will not have to wait long before hearing more good news on the development of the peace process.

I am sure everyone is aware that the building of consensus is not an easy task; fortunately, both sides are ready to listen, willing to compromise, and willing to reach a meeting of the minds. We know, too, the consequences of impatience and haste. What is clear to me: Every word we utter must result in an action that would benefit all. Every line that we craft in the agreement we are forging must be set in stone and not merely written on water, only to be forgotten by history. My father raised me to be true to my word, and I can tell our brothers and sisters of the Bangsamoro: Whatever agreements we come to will be fulfilled by the national government.

Trust is vital to the peace process. It does not come automatically, perhaps because of the long history of conflict. Now, the desire of both sides to reach an agreement is palpable, and we are truly proving ourselves trustworthy. To those seeking to sow discord and doubt: Can you really say that you are a Filipino that has compassion for his fellow Filipinos?

I am hopeful that every Filipino will contribute towards our goals for the Bangsamoro. We will prove that they did not make a mistake in choosing the path of peace; we are ready to lend the strength of the entire nation to lift up the provinces of Muslim Mindanao, who are among our poorest. What we aim for is the triumph of all; we will not allow any of our countrymen to be left behind, while others surpass them. Once again, I call on Congress: The Transition Commission that will craft the Bangsamoro Basic Law has already been created. Once their task is completed in keeping with the principles of the peace process, I ask you to pass the

Bangsamoro Basic Law before the end of 2014. This way, we will have ample time to prepare for the election of a new Bangsamoro government come 2016.

We have accomplished whatever change we are experiencing today because we refused to be satisfied with the status quo in the government we inherited. Let me ask: How many of you have used what they call the Telepono sa Barangay? I wouldn't be surprised if no one has. According to the DOTC, more than 5 billion pesos would have been earmarked for a program that would distribute landline phones to far-flung areas. Would this not have been a grave waste of funds, because in such a short time after its implementation, the number of Filipinos with cellphones just grew and grew? Who would take notice of the 6,000 landlines they would have installed, when we have 100 million cellphones in the Philippines?

Here is another example of the kind of thinking we've had to eradicate from government. Eight combat utility helicopters were bought for what they claimed to be "the more efficient deployment of our soldiers." The problem: The guns the helicopters were equipped with were mounted at the door; requiring their removal in order to enable people to pass. If you are a soldier entering the fray at the height of battle, what use is a machine gun that is set aside and unable to fire? Did no one think about this before the contracts were signed? Why was this even approved in the first place?

We have to be more discriminating buyers. We cannot rely on the sales talk of suppliers alone. We have tasked the DOST to assemble a body of experts who can critically assess suppliers' pitches, especially on big-ticket items. Our operating principles: the right identification of the root of the problem; the careful study and deliberation, grounded on correct methodology, to arrive at the best solution.

This was also the rationale and the driving force behind our response to the issue of informal settlers in Metro Manila. This is why we are already fulfilling our goal to remove from harm's way those who crammed themselves into high-risk areas of the city. After all, I do not think anyone will disagree with us when we say the current situation cannot be allowed to persist. In the general welfare clause of our Constitution—Article 2, Section 5—it says, "The maintenance of peace and order, the protection of life, liberty, and property, and promotion of the general welfare are essential for the enjoyment by all the people of the blessings of democracy."

Here we have proven that the Filipino listens to reason. If it is clear that compassion is your bedrock principle, then we will be more eager to work with you. Before roofs were dismantled, before walls were demolished, we explained how we came to our decision: better housing, access to public transport, and, for the diligent, no shortage of opportunities to earn. We made it clear that we wanted to provide a refuge to those who were high-risk and most in need—and not to syndicates. We are aware that whenever the aid given by the state is abused, the lives of other Filipinos are also put in jeopardy.

After a batch of informal settlers was moved to the relocation site, they urged their former neighbors: Join us. It is safer here. This year, our priority is to relocate more than 19,400 families living along Metro Manila's major waterways. The convergence of DILG, NHA, DSWD, MMDA, and DPWH has resulted in a much clearer solution to one of our most long-standing problems.

Another example of transformation in government: haven't vital bills languished in Congress? In the previous year, the Sin Tax Reform Law and the Responsible Parenthood Law were finally signed into law. We thank our partners in Congress and in the Senate who helped us push for

the passage of these laws. We persevered through the long process of debate and consultation; we were not cowed by those who tried to sow doubt in the attempt to obstruct our meaningful agenda. We have fought for what benefits the people, and we are advancing true public service for the Filipino.

I would also like to propose to Congress several laws that will help us sustain and improve on the reforms we have established. Let us amend the Cabotage Law in order to foster greater competition and to lower the cost of transportation for our agricultural sector and other industries. Let us likewise enact the Fiscal Incentives Rationalization Bill, so that the incentives we provide to businesses become even clearer and more accountable. We also have to focus on the Land Administration Reform Bill, given the need for convergence among agencies tasked to oversee our land holdings, and thus ensuring that they can fulfill their collective mandate with increased efficiency.

Tomorrow, we are submitting to Congress our proposed 2.268 trillion-peso National Budget for 2014. I am confident of your support and advocacy for the allocation of funds which was arrived at after careful consideration. This budget is not only a continuation of our reforms, but it will also accelerate our momentum towards long-lasting inclusive progress.

There are those who insist on upgrading our Armed Forces. I agree with this, but some of them act as if they want us to invest every centavo of our country into fighter jets, tanks, and other equipment for warfare. They may not know that one fighter jet costs 1.58 billion pesos—equivalent to 6,580 houses for our soldiers and our police force, or nearly 2,000 classrooms for our children. And what can one jet do? To be truly effective, we would need a squadron—and one squadron is composed of twenty-four fighter jets. At 1.58 billion pesos per jet, we would have to devote 37.92 billion pesos of the nation's coffers just to assemble one squadron. And what about practice missiles? And it is not as if jet fuel, a radar system, ground bases, and ground intercept controls are free. Building a minimum credible defense posture is not something we can take lightly. Do we follow others who prioritize the possession of a nuclear option at the expense of everything else? I do not think anyone would agree. We will balance our needs. We are committed to meeting the needs of our society, while remaining a good and upstanding member of the community of nations.

We are well aware that, in the past, decisions were made based on politics. Leaders did everything they could just to keep a firm hold on their power—at the expense of the suffering of present and future generations of Filipinos. Let us look, for example, at the consequences of refusing to raise passenger fares for the LRT and MRT.

Each trip that one passenger makes on the LRT is estimated to cost 40 pesos. What does each passenger pay? 15 pesos. This means that the government subsidizes the remaining 25 pesos. As for the MRT, the true cost of one trip is 60 pesos: 15 pesos paid by passengers, 45 pesos by the government—in the end, each and every Filipino pays a share of the subsidy. Whether you live in Mindanao or Visayas, and not once have you ever stepped onto the LRT or MRT, you help to fund this.

What's worse: because past leaders gave away our commercial development rights, each peso that we can earn from the posters and billboards in the stations goes to private companies, instead of going to the government. What we could have used to subsidize the cost of maintenance and operations was given away.

Perhaps it is only reasonable for us to move the fares of the MRT and LRT closer to the fares of air-conditioned buses, so that the government subsidy for the MRT and LRT can be used for other social services.

You are my witnesses: We have no plans to hand down problems to our successors. In truth, projects that were left to decay in the past are now truly benefiting the people. Let us look at the Ternate-Nasugbu Road. This road, connecting Cavite, Batangas, and Metro Manila, is only six kilometers long, but it still took almost 20 years to finish. We already opened one part of this road, and when the sections requiring slope protection are completed, the benefit this road will bring to motorists will be complete.

We also have the Aluling Bridge in Ilocos Sur. The plans for its construction were first laid down on paper in 1978. And we made certain that our successors would not merely inherit sheets of paper. The bridge was finally completed in March. Last month, we also began the operation of the Laguindingan Airport—a project that took one generation to make the leap from idea to implementation.

There is also the semiconductor industry, which waited decades for a laboratory that could compete with facilities of other countries. We did not allow them to wait much longer. In May of this year, under the leadership of DOST, we inaugurated the Advanced Device and Materials Testing Laboratory (ADMATEL). Before, products manufactured here had to be sent to other countries to undergo testing. We were unable to maximize profits in this industry; we were unable to maximize the potential of our semiconductor industry to attract even more investments.

Because of ADMATEL, products will now be manufactured and tested here, and we will be able to take even greater advantage of the skills of Filipino workers in the electronics sector. And we have every expectation that this industry—one that contributed almost 44 percent to our exports in 2012—will grow even stronger.

With the help of our Big Man in the Senate, Senator Franklin Drilon, the more than fifty-year wait of Ilonggos has come to an end; the implementation of the Jalaur River Multi-Purpose Project II in Iloilo has started. How will this help us?

First, an estimated 24,000 farmers across Iloilo will benefit from year-round irrigation. As a result, the harvests of rice farmers may double. Let me make it clear: The 31,840 hectares of land that will be irrigated will yield an additional 146,013 metric tons of rice. This amount is equal to almost 80 percent of the buffer stock of rice that we will import for 2013.

This does not include the other benefits that this project will bring. For instance, preventing widespread flooding in Iloilo, and adding 6.6 megawatts in hydropower to the energy requirements of the province. This project will also contribute to the supply of water for some parts of the province, and to the development of its ecotourism industry. Apart from all these, the Jalaur River Project will create around 17,000 jobs; and once it becomes fully operational, an estimated 32,000 Filipinos will be given decent livelihoods. This project was first conceived in 1960—we share the same birthday.

We are aware that many of our countrymen are excited to see the fruits of our Public-Private Partnership (PPP) projects. We likewise know that there are those who have grown impatient waiting for them.

Let us put things into context. Back in 2010, when our administration came into office, we were left with only 6.5 percent of the programmable budget for the year, or just around 100 billion pesos; 93.5 percent of the budget had already been allotted by my predecessor. This is precisely why we approached the private sector. We told them: "We do not have the funds, let us partner with one another to build the necessary infrastructure."

Apart from this, we faced other difficulties when PPP began. The studies on which the projects were based were outdated; and the bureaucracy lacked the sufficient knowledge to implement them. Not to mention the public, who seemed to have lost confidence in the contracts the government undertook.

Nevertheless, whatever the situation may be, our principle is that anything worth doing is worth doing right. We have no plans of entering into questionable contracts today just to bequeath problems to the next administration. Each project has to go through the correct process to ensure that our taxpayers' hard-earned money will be spent the right way.

As early as now, we are seeing the effects of the honest, transparent, and clear way we have been going about our PPP projects. Previously, even just the construction of a single airport already made headlines. Let us compare this to what we are seeing today: Apart from the Laguindingan Airport, which is already being utilized, we are upgrading and modernizing the Tacloban Airport, the Bicol International Airport, the New Bohol Airport, the Mactan Airport, and the Puerto Princesa Airport all at the same time. The Daang Hari-NLEX link road is the fastest PPP project that has been awarded in any administration, with no shortcuts in the processes. All these, and all the other infrastructure projects that are being and will be constructed, will give rise to a society teeming with opportunity.

The problems that we have inherited—and are currently solving—make up a long list; for example, the recurring, rotating blackouts in Mindanao. From the very beginning, we have been working on a solution for this—but we are also aware that a problem that has been ignored for an entire decade cannot be solved overnight. Right now, we continue to take steps to address the shortages as well as provide for immediate needs. We have helped electric cooperatives bring in generator sets that will reduce brownouts; and this will continue until the plants that will supply the region with more electricity are completed.

But the critics will never fully disappear. Some are complaining that the price of electricity will increase with the usage of diesel-fueled generator sets. Hydropower is abundant now because of the rainy season, so we hear objections to the generator sets. But come summer, many will once again complain about eight-hour brownouts.

We also want more power plants built in other parts of the Philippines. As our economy grows, so will our consumption of electricity, which means we must likewise increase supply. Do we really want to wait until our plants are at full capacity before more plants are built? Power plants do not sprout like mushrooms—a power plant takes two to three years to construct.

If anyone has a good suggestion, we are ready to listen. But I also hope that the kibitzers put the situation in the proper context. The plant in Redondo, Zambales, is a good example. A TRO was issued against the plant because of the argument that renewable energy is better. Did they happen to mention that renewable energy is also more expensive—from the cost of building the plants to the eventual price of energy? Did they mention that it cannot provide the baseload—the capacity required to make sure brownouts do not occur? If you put up a wind-powered plant, what do you do when there is no wind? If you put up a solar plant, what do you



when the sky is cloudy? Let me be clear: I believe in renewable energy and we support its use, but there should also be baseload plants that can ensure a steady supply of electricity for our homes and industries. I wonder if those who are critical of the plants we want put up will be as noisy when they are busy fanning themselves during brownouts. All I am really saying is this: Let us help each other find a solution.

Since we are being frank with each other, let us talk about the renovation of NAIA 3. This is a complex issue, which has already undergone two arbitrations. We would have won both of them, but one of the decisions was reversed due to a technicality. This is why we are now preparing for our case to be heard once more. And there are added complications because of the issue of warranties for the completion of NAIA 3—it is not acceptable for us to find defects after renovations, and then have to spend even more money to fix them. This is why when we were told that the original contractor was willing to give a proper warranty, we agreed to the deal. But we want to be certain; we want to fully and correctly go through the process. So I must ask for your understanding on this issue.

Today, it is clear: A single goal is behind each square meter of cement we pour in building the foundations of a more progressive country; gain for all—and not politics. Whereas before, roads were constructed based on whims, and bridges were built where the Mayor enjoyed the friendship of Madam, now, we follow a nationwide plan. No favorites, no transactionalism, no patronage; each peso is spent to accelerate our goal of broad-based growth.

What we can expect in the years to come: airports and ports to facilitate commerce and tourism; roads to ensure that we all reap the maximum benefit from these big-ticket projects; power plants that will generate enough energy and fuel the development of industry. This is the framework from which other initiatives will branch out, creating even greater opportunities for Juan and Juana dela Cruz—from the farmer who will have access to adequate irrigation and who will be able to sell his harvest more quickly, to the construction workers erecting new buildings; from the continued development of call centers across the country, to the rise of even more businessmen ready to invest in the Philippines. We implemented the right projects for the right price; we completed these projects with the right quality; and we finished, or we will finish, these projects right on time, because the right people worked on them.

Let us talk about traffic: Isn't it estimated that our economy loses an estimated 2.4 billion pesos every day because of Metro Manila traffic? Among the projects targeted to decongest Manila is the Integrated Transport System. For the buses that force themselves onto already-crowded roads, we will construct terminals in areas with less traffic. Our countrymen can already make use of the terminal in Parañaque, and the ones in Quezon City and Muntinlupa are already lined up. Provincial buses will be permitted only up to these terminals, so they do not add to the congestion.

There is also the two connector roads that will join the North and South Luzon Expressways. To tell you the truth, there were already plans to construct what they called the Metro Manila Highway in the seventies. This would have connected the two expressways, so that traveling from one point to another need not consume the hours it takes to pass through the entire length of EDSA. The problem: Mr. Marcos issued laws that favored one of his cronies. And unfortunately, we are required to follow them: Whoever constructs infrastructure in those areas must be in partnership with the corporation of Mr. Marcos' friend. Even worse: every time they add even just another short section to the original road, their franchise is extended by thirty years. That is not the end of it: Once the company profited, the development of infrastructure in the area was left unfinished. Remember that these roads were supposed to

traverse Pangasinan to Quezon... But when the company operated at a loss, they had the audacity to pass on to the government a multitude of debts. I ask our Congress today: Let us take another look at Presidential Decrees 1113 and 1894.

Despite this, our projects continue. We have an eight-kilometer, four-lane elevated expressway that will connect C3 road to Caloocan, crossing España, up to PUP in Sta. Mesa. There is also a more than fourteen-kilometer six-lane elevated tollway extending from Balintawak to Buendia in Makati. The Common Alignment of these two roads: a five-and-a-half kilometer, six-lane elevated expressway from PUP in Sta. Mesa, crossing Osmeña and Quirino Avenue, to Buendia in Makati. Once this road is opened to the public, what once took two hours from SLEX to NLEX will now take only fifteen minutes. What once was a three-hour drive from Clark to Calamba will be reduced by almost half to an hour and forty minutes. Every day, an estimated 55,000 motorists will benefit from this project. Motorists will save time and gas, pollution will be decreased, and commerce and tourism will flourish. Is this not a win-win situation?

In the space of only three years, we have proven that agencies that were once cesspools of corruption can be transformed into examples of honest and efficient service. Some of the simple, but effective, reforms that Secretary Singson implemented in DPWH: no more letters of intent, which bidders once used in conspiring with each other to inflate costs and gain more profit; simplified bidding processes, so even more contractors can compete for projects; and reasonable costs of doing projects. Government also now pays on time, attracting even more skilled contractors to do their part in raising the quality of public infrastructure. This kind of honest leadership has allowed the DPWH to save 18.4 billion pesos, which has been allotted to other meaningful projects.

As an example of the dividends of good governance, let us look at the Tagumbao Bridge in Gerona, Tarlac. In truth, I was an advocate of its construction back when I was just a Congressman. Back then, some of my constituents had to circle around two towns just to cross a river that overflowed during the rainy season. I even told past administrations: you can have my entire PDAF, just complete the bridge, in installments if possible. But nothing happened and time passed. The gap separating the banks of the river—and thus, the length of the bridge that was required—only widened further.

Right now, we are constructing the Tagumbao Bridge. Now that we are the ones implementing it, this is the story: Approved funds for the project stand at around 334 million pesos; but because of good management and prudent spending, the cost was lowered to 226 million pesos. In the end, we saved a total of over 108 million pesos without sacrificing the quality of the completed bridge. And even better: The funds that we saved can be used in the construction of a dike and river training projects for Phase II.

Let us move on to tourism. According to the Oriental Morning Post, we are the "Best Tourism Destination of 2012." And it seems the Shanghai Morning Post fell in love with our country when they named us the "Most Romantic Destination of 2012." Scuba Diving Magazine says that the Philippines is the "Best Diving Destination." And Palawan is the "Best Island" if you ask Travel + Leisure Magazine. It seems they just stopped short of calling us paradise.

Given such resounding praise, it comes as no surprise that in 2012, we registered 4.3 million tourist arrivals in our country—another new record high. This figure is a 21.4 percent increase from when we assumed office in 2010, when only an estimated 3.1 million tourists visited our country. When it comes to our domestic travelers, our previous target for 2016 was 35.5

million tourists. But we have surpassed this as early as 2011, with 37.5 million domestic tourists. With the momentum that we are now experiencing, we have full confidence that we will achieve our new domestic target of 56.1 million before the end of 2016.

A stronger tourism sector will generate more job opportunities. The DOT estimates that tourism created 3.8 million jobs in 2011. The truth is, it is not just our scenic and most famed destinations that will profit from the arrival of tourists, but also the nearby towns that can be considered tourism support communities; the places from which resorts and hotels source the food that they serve, the souvenirs that they sell, as well as other products and services that provide a source of income for our provinces.

And I am certain that you have also heard the good news that has recently landed in our country. Last March, the International Civil Aviation Organization removed the significant safety concerns they had previously imposed on the Philippines. This was a fruit of our reforms in the aviation industry, to ensure that aviation safety in the Philippines meets international standards. And because of this, just last July 10, the European Union has once again permitted our flag carrier to resume direct flights to Europe.

Think about it: What if our aviation industry had already been improved and strengthened before? Was it not a waste to miss out on tourists whose lack of enthusiasm for visiting the country can be attributed to this? Missed jobs, funds, and opportunities—these are the results of the previous system of governance.

This is why, from the very onset, we have fought against corruption in all levels of government and pushed for the transformation of our institutions. The result: public service that truly benefits our countrymen.

Let us just look at the depth of transformation taking place in our GOCCs. Government-owned corporations whose losses were previously subsidized by the national government are now turning over dividends. Let us take the Philippine Reclamation Authority (PRA) as an example. In the thirteen years prior to our term, from 1996 to 2009, the dividends of the PRA amounted to a sum total of 676.82 million pesos. Along the straight path: in 2012 alone, their dividends—1 billion pesos. Is this not a complete transformation?

The Local Water Utilities Administration is another good example. In 2011, the said GOCC recorded a net loss of 950 million pesos. But because of prudent management, they did more than just balance their books; based on their report, their gross income amounted to 870 million pesos in 2012. Because of this, they were able to remit 365 million pesos to government for that same year.

Yet another example: In my first SONA, we exposed the questionable practices of the MWSS, whose officials were giving themselves excessive bonuses and allowances, even as their company failed to address the needs of our citizens. This agency itself reported: The MWSS registered losses amounting to 34 million pesos in 2010. This was completely unacceptable. That is why in 2011, we signed the GOCC Governance Act, which serves as the standard for integrity, credibility, and accountability in the management of our GOCCs. Its results: In 2011, the MWSS earned 333 million pesos, from the 34-million-peso loss of 2010. In 2012, their earnings totaled almost 2 billion pesos. Consequently, their dividends have also increased: from 150 million in 2011, these increased to 345 million pesos for 2012. It is saddening though, that the depth of the reforms planted by the MWSS leadership is tarnished by the mudslinging of those who want to cling to the old system.

In tandem with the increased confidence in our good governance is the continued resurgence of our economy. The results: two consecutive ten-place jumps in the global competitiveness index of the World Economic Forum. For the first time in history, we attained investment-grade status from two of the three most respected credit ratings agencies in the world, and it is quite possible that the third will soon follow suit. We have maintained the stability of our consumer goods prices, and we continue to reduce the portion of our budget allotted to paying our debts, while increasing the funds allotted to social services. In a period of lethargic global economic activity, we registered an astounding 6.8 percent GDP growth in 2012. We surpassed this in the first quarter of 2013, when we reported growth of 7.8 percent—the highest recorded GDP in East and Southeast Asia. Special mention must be made of the 28.5 percent contributed by the manufacturing sector to the growth of our economy. And we anticipate that manufacturing will gain even more traction in the coming years.

We are now considered a rising tiger by the World Bank; the brightest spark, according to the Institute of Chartered Accountants in England and Wales, among other accolades that allude to the transformation that is sweeping our nation. From the prudent expenditure of funds to the effective collection of taxes; from infrastructure development to the transparent conduct of business that generates jobs, our message to the world could not be clearer: The Philippines is ready to ride the tides of progress.

The transformation of our society is not just evident in the economy or in statistics. Now, Filipinos know: Rich or poor, with or without political connections, when you do wrong, you will pay the consequences. Now, justice is truly blind. We will not undermine the orders of our Bosses to hold the corrupt accountable, and to right the wrongs of a system that has long beggared our country.

In fact, we are already holding the former leadership of TESDA accountable for his part in the outrageous overpricing of purchases by the agency. For example: one incubator jar is priced at 149 pesos. But Mr. Syjuco priced the same jar at 15,375 pesos. The normal price of a dough cutter, 120 pesos. The price according to Mr. Syjuco: 48,507 pesos. Let's be clear: This is a dough cutter, not a Hamilton Class Cutter. Perhaps when he finally has his day in court to face the cases filed by the Ombudsman, Mr. Syjuco will finally learn to count.

We have also indicted the former PAGCOR officials who embezzled 26.7 million pesos just to produce a movie; burned through funds amounting to 186 million pesos to finance a party-list; and had the gall to use the rice donations allotted to calamity victims for campaign sorties.

Former leaders of the PNP are also being made to answer allegations regarding the 131.6 million pesos wasted on seventy-five defective rubber boats, and the 104.99 million pesos spent on the anomalous purchase of secondhand helicopters from 2009 to 2010. It would actually be better if they are able to properly answer questions regarding this, so we may discover if there are others who must also be held accountable.

On the topics of Cadavero, PDAF, MRT 3, and others: Just because the critics are not aware of what we are doing, they assume that we are doing nothing about these issues. If government possesses no data and yet announces who it will investigate, does that not send a message to the suspects to just hide the evidence? This is why we go where the truth takes us. The evidence decides our path.

When we denounced the “wang-wang” culture, we did not just dismantle the sirens of those who lord it over the streets; we also uprooted the culture of corruption that seemed firmly entrenched in our public institutions.

But let us be honest: Even today, there are still those in government who seemingly refuse to change. It is disheartening to discover the depth and breadth to which they have branched out in the bureaucracy; the moment we look away, someone is sure to be taken advantage of and victimized. The time has come to name names: we have repeatedly admonished the Bureau of Immigration to improve their watch over our ports and airports. How then was it possible for the brothers Joel and Mario Reyes, the principal suspects in the slaying of Gerry Ortega, to leave the country? How could the escape of the Korean Park Sungjun—as blatantly seen in CCTV footage—have taken place? He is wanted in (South) Korea, and their government asked for our assistance in securing his arrest. How can we face them now, when our own government employees are the ones who enabled his escape?

The “make-do” culture at the NIA has also tested our patience. Instead of laying out plans for new irrigation systems, they are merely content with the continued rehabilitation of existing irrigation. For them, shoddy repairs are enough to say they have already done a good job. During their anniversary, I asked them why only 60 percent of their target was accomplished in 2012, when they had reached 80 percent in 2011. The next day, I met with their head during the NEDA Board Meeting. His excuse: 40 percent of the target areas were located in Mindanao and were devastated by Typhoon Pablo, thus the delay. When were we hit by Typhoon Pablo? In the first week of December. Which means that he meant to complete the remaining 40 percent of his tasks in the span of just three weeks. This is the kind of leadership we no longer need in the bureaucracy.

And here we have the Bureau of Customs, whose personnel are trying to outdo each other’s incompetence. Instead of collecting the proper taxes and preventing contraband from entering the country, they are heedlessly permitting the smuggling of goods, and even drugs, arms, and other items of a similar nature into our territory. The Department of Finance estimates that more than 200 billion pesos in revenue slips through our borders without going into public coffers. Where do these people get the gall? One can almost hear these public officials say, “I don’t care if the weapons go to criminal elements; I don’t care how many lives are ruined by drugs; I don’t care if our fields remain barren forever; What matters is that I am rich; it’s every man for himself.” Such practices have no place in government. If you cannot do your job, you do not deserve to remain in office.

If you are a good, conscientious employee of the BI, NIA, Customs, or any other government agency, I hope that you do even more. It is not enough to lie low and hide inside your cubicle; to prevent wrongdoing is part of your duty. You are in the right, so there is no need to hide; please make it easy for me to find people like you; I will raise you up as praiseworthy examples, that we may fully transform the flawed culture of your agencies.

And for those employees who refuse to turn their backs on the culture of wang-wang: my patience has run out. You were given three years to demonstrate your readiness to change; now, I shall pursue all of you and hold you accountable. No hard feelings.

And let us include in these reforms corrupt members of our Civil Service. It was during my mother’s time when I heard someone say, “So what if Malacañang ordered this? You will only be there for six years.” It is time to rectify this way of thinking. I call on our Congress to examine our Civil Service Code and PD1, so that we can revise these at the earliest possible



time. I support the development of mechanisms that will restore the integrity of public service; that will ensure that only honest, capable, and principled civil servants will be allowed to enter and remain in government service.

And now, let's allow our countrymen to share the transformations taking place in their lives:

[Video starts]

"My name is Violeta S. Abuque. We didn't have [the Conditional Cash Transfer Program] before. Life was hard, you didn't have any money, and you couldn't approach anyone to ask for help because they didn't have anything either.

"We were very happy that when DSWD launched their program, it covered even those of us living in the mountains. This program will help me put my children to school. We've realized how important it is to invest in your children's education; they'll have a different life from our ancestors who couldn't even write their own names.

"I am very thankful for the [Conditional Cash Transfer] program, and to everyone who has supported this."

— Violeta S. Abuque [CCT beneficiary]

"Before, my children couldn't even bring food to eat in school—but now they can, and they even have breakfast.

"You really have to fulfill the conditions that come with the program. And, of course, you have to find a way to complement and augment the help they've given you. So every week, my child and I make some peanut butter and sell it.

"I am very grateful that I'm part of the [Conditional Cash Transfer] program, because it has been a really big help to my family."

— Dulce Panaligan [CCT beneficiary]

"I went back to selling balut [fertilized duck eggs] while I was looking for a job. And then I heard that TESDA was holding trainings. I read up on these, and I registered. I'm very happy with how the TESDA program has helped me with my job-seeking. I've used what I've learned, so I can get a better life, so I can learn more things—especially applying what I've learned to my job.

— Emerson Paguia, TESDA scholar, IT Web Developer

"On 6:45 in the morning of April 2, I was on my way to the PCCR review center. A mugger entered the jeep, and on the Nagtahan flyover, declared a robbery. He held me at knifepoint, and when I struggled, he stabbed me on the thigh, but I got the knife from him. Before he got off the jeep, I stuck the knife in his back. I chased after him, and we were both bleeding. This was probably what got the people's attention, which eventually led to the mugger's arrest.

"I'm always aware of the oath I took, to serve our citizens. To my fellow police officers: Let us always do what is right, and what is for the good of the country—at the same time, what will reflect well on what we're doing as PNP."

— PO3 Edlyn Arbo, Philippine National Police.

"I was assigned to Police Station 4 from 2006 to 2012. I was given a spot meritorious promotion by the President, probably because of my apprehension of some of Bacolod City's most wanted criminals. Last Saturday, I used the new gun the President had given me recently, to apprehend notorious car burglars here in Bacolod City.

"We do our jobs even if it's difficult, even if we have to put our lives on the line—we do it so we can serve our fellowmen and our country."

— PO3 Felipe Moncatar, Philippine National Police.

"My car broke down along Quezon Avenue, just after the tunnel. A policeman arrived after fifteen minutes, and he really helped me out—he even tried to lift the car with his bare hands. So I was thinking that, eventually, he would ask for a reward. Then the towing vehicle arrived, and they were about to tow my car. But this policeman said: No, help first before you haul.

"Out of gratitude, I tried to hand him 1,000 pesos for his help. But he refused it. He told me: Our job is to help the citizens. There has been positive change among our police force. To PO Sultan, I salute you."

— Armin Punzalan, businessman

"The Navy's modernization program is not just about equipment—it's all about the welfare of our ranks. Everyone can see this—not just me, but all of my colleagues in the Philippine Navy; we are all very happy with the reforms we've seen.

"We're experiencing the returns of the President's straight and righteous path. We're happy now, we do not want of anything. I tell my colleagues: The government has been giving us so much, and we just need to do our jobs well in return—to give back to the country, to give back to the people."

— Lt. Commander Desuasido, Philippine Navy

[Video ends]

Our country has never lacked for people prepared to take a stand and fight for our country regardless of the enormity of the challenges before them. There is the courage of Commodore Ramon Alcaraz during the Second World War. In a small wooden Q-Boat, he took on nine Japanese Zero fighters—then considered among the most modern planes; three of these, he shot down. In fact, he would have continued fighting had he not received an order from his superiors to surrender. This type of bravery is what our soldiers display every day as they patrol our most remote mountains and our farthest islands; soldiers who continuously bear the distance from their families, who proudly stand their ground against anyone who challenges our sovereignty. It is no exaggeration either when I say that the triumphs we have achieved along the straight path might still be distant aspirations had it not been for the members of our Cabinet. When I asked them to join the government, they knew their jobs were not going to be easy. That they accepted the challenges was a blessing. They took an oath to help in transforming the country, and from the beginning, they have made sacrifices every day so that the privilege of serving you does not go to waste.

There are those like Secretary Albert del Rosario. Going by tradition, a Secretary's first official travel outside the Philippines would be to a country with whom we enjoy strong and peaceful relations. But only a few hours after taking his oath as Foreign Affairs Secretary, Secretary del Rosario only took the time to possibly pack a change of clothes before immediately flying to Libya. He went through more than twenty checkpoints in the middle of crossfire and led the evacuation of more than 20,000 Filipinos who were caught in the conflict in Libya. You might also be surprised to hear the nationalities of the men and women we also ended up evacuating. Truly, the Philippines is different today: From a country that was always just the recipient of help, we have become a country capable of providing help.

All things considered, Secretary Albert could have said "no" to working in government. He is a successful and respected businessman, and, certainly, he would be much more comfortable living a private life. He had also already served as ambassador to America. He could have become disillusioned after being removed from his position, because he opposed the past administration's declaration of a State of Emergency back in 2006. But we asked him to return to government, and he did. Now, he is contributing even more as Secretary. He is ready to put himself in harm's way, because he knows that no one else will save Filipinos but fellow Filipinos. For continuing to stand up for our rights, I salute you, Secretary Albert del Rosario.

We also know that excellent public servants do not just transform a society; they inspire. Millions of Filipinos grieved when Jesse Robredo passed. For almost two decades, he served and led Naga with skill, compassion, and humility. These principles of his are the exact reasons we borrowed him from Congresswoman Leni and their three children, and from the Nagueños, so that he could become part of our Cabinet. This is why one of the hardest things I ever had to do as President was to deliver the news to Leni and their daughters, after the tragedy.

Apart from grieving, I could not avoid blaming myself for what happened to Jesse. Maybe if I had not asked him to join my Cabinet, he would still be alive today. Maybe if he had remained in Naga, he would still be with us. Maybe there would still be a Jesse Robredo in public service today.

But I also know that Jesse would not allow the transformation and righting of society to end with him. Jesse and I were only given opportunities to serve the country because of all of you. We cannot have just one face for transformation and change. We should not have to wait another hundred years before the next good citizen is born, before the next good Filipino rises to the occasion.

There are those who always ask: What will happen in 2016? What will happen when you step down? Will that be the end of good, honest governance? Will we have reached the end of the straight and righteous path?

My Bosses, let us remember: where did we begin? If you have doubts now, compare them with the doubts we all carried in 2010. Were we not happy enough then just to see the darkness end? Was it not enough for us to be able to replace those in power?

Now, we are experiencing change. Change that has sprung from the seeds of kindness, solidarity, and good will; change that was brought about by the million of Filipinos who have, in their own ways, big and small, pitched in and transformed the country.

And just look at where working together as one people has brought us: Did anyone imagine that peace would be within reach for a region that has, for the past 40 years, been torn apart by conflict? Who else could be responsible for this but the Moros who laid down their arms and said: "Come. Let's talk. I trust you." Who else but the common Filipino citizen who said: "Brother, we are all Filipinos. Let us put an end to this conflict."

When the Pantawid Pamilya program was initially proposed, there were some who asked: How could we possibly achieve the program's desired effects; where are the funds to cover all poor Filipinos? Did anyone imagine that in just three years, we will have expanded the scope of our project to cover four million household beneficiaries? And isn't it they themselves who continue to help this program succeed? Each mother who wakes up early to send her child off to school? Each child that studies hard?

Did anyone imagine that from importing millions of tons of rice, we would be 94 percent rice self-sufficient by the end of 2012? Did anyone imagine that a country known as the "Sick Man of Asia" would, within three years of good governance, reach investment-grade status? Who would have thought that all the social interventions the government is providing right now would be doable without raising taxes, apart from the Sin Tax? And did they not have a part in this—each accountant, each doctor, each lawyer who now pays the right taxes? Didn't we all have a part in this?

Is there any space left for doubt? Especially now that we are achieving things we never thought we could achieve; especially now that we have made progress—that our shared goals are within reach? My Bosses: Is this really the time for doubt?

For every Filipino who believes in the strength of small acts of kindness: You made this transformation possible. This is your SONA.

For every teacher who wakes at dawn just to teach children in far-flung areas: This is your SONA. For every policeman who serves and asks for nothing in return: This is your SONA.

For every Filipino who, unhappy with the list of candidates in an election, chose to knock on the doors of your neighbors to say: "We can't be content. Let us find a rightful leader together," this is your SONA.

For every student who strives to be aware of social issues, and does not just complain on Facebook but actually proposes solutions: This is your SONA.

For Brigadier General Ramon Mateo Dizon, the soon-to-retire head of the PSG, who stood alongside me even in facing coup d'états during my mother's term: Up until my presidency, you have protected me, and my first and official family. I am able to go to different countries and to far corners of the Philippines with full confidence. Chito, you have done your part in changing our country. You are truly loyal to your flag, to the Constitution, and to the Filipino people. Of course, you could not have accomplished all this without your wife Jo-ann by your side. This SONA is for both of you as well.

And to all who roused their fellow citizens from apathy, those who challenged the cynics in our midst, and those who made the stubborn see reason: This is your SONA.

The road ahead of us is long; and we never said it would be easy—or that we could tread this path free of challenge. But I do not doubt our capacity to overcome any obstacle. We did not

achieve our current success by chance. Let us not allow this transformation to be temporary; let us seize this opportunity to make the change permanent.

This is our fourth SONA. When I was a congressman, the people of Tarlac were my strength. When I became a senator and until now, in my Presidency, the people of our country have been there. You are my strength. As we continue doing our part—and as we continue placing faith in our fellowmen and in God—I tell you: It will still be you who will make certain that what we have begun here will continue; you will be the ones who will make sure that we will completely eradicate corruption; you will be the ones who will make sure that we will never again stray from the straight and righteous path.

Once, I was told: “Noynoy, just begin the change.” So we did, and we can all see how far we have come. Now, my countrymen, let us continue to stand arm-in-arm. Together, let us foster, accelerate, and expand the transformation of society. I am Noynoy Aquino, and I proudly say to the world: I am a Filipino. How wonderful it is to be a Filipino in these times.

Thank you.