

Philippine Business for Social Progress (PBSP)
38th Annual Membership Meeting and Foundation Day Celebration
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Address of Ambassador Alistair MacDonald, European Commission

Mr. Chairman, members of the Board, members of PBSP, distinguished guests, ladies and gentlemen, partners in development – and most of all, old friends – I’m delighted to have been asked to speak here today, when we are celebrating PBSP’s 38th birthday, and 38 years of working to address poverty and promote sustainable development.

My own acquaintance with PBSP is not quite that old – I was first introduced to PBSP, in the persons of Maria Luisa Perez-Rubio and (then) Executive Director Garilao, back in 1989, during an official visit to Manila of Commissioner Abel Marutes, a year before we opened the EC Delegation in Manila.

Since then, our cooperation with PBSP blossomed, and the EC has been delighted to have PBSP as an expert and professional partner, working together with you and your European partner organisations, working to promote sustainable development and environmental protection, working to give assistance to those afflicted by typhoons, floods and volcanic eruptions. Indeed I still remember very clearly visiting two shelter projects carried out by PBSP with financial support from the EC – in the aftermath of Pinatubo and of the Ormoc floods -- and being very impressed by the skill and dedication that PBSP staff were putting into these important projects.

I don’t intend to speak at length about the importance of civil society’s role, of the private sector’s role, in supporting the Philippines in addressing the Millennium Development Goals. Before an audience like today, that would be far too much like teaching my grandmother to suck eggs. But I would like to say a few words about two issues – the primordial importance of the fight against poverty in helping to promote human dignity and to protect the security and stability of our global planet - and the core role that the private sector has to play in these efforts, in relation to what we now speak of as Corporate Social Responsibility.

The fight against poverty

Never before, in the history of this planet, has poverty alleviation and sustainable development been a more important issue. Here in the Philippines, with 90 million citizens and perhaps 9 million of these working overseas, and in a context of global recession, the problems which we face are clear. Those of us who are privileged to leave occasionally the canyons of Makati, and get out into Maguindanao or Samar or Ifugao, know that the comfortable world which we see around us, with its Starbucks and Krispy Kremes, is a one which is limited to a few. And there are many people in the Philippines for whom finding their next meal, or sending their children to school, is rather more important than Charter Change or boxing championships.

This is hardly new – but the point I want to make is that this is not just a Philippine problem, or a Mindanao problem, or a Tondo problem. It is a global problem, a global challenge, and the

success of our efforts in addressing this challenge will be critical for the future of your children and mine. We live now in a global society, and Tagalog is just one of the many languages which can be found on the Metro in Brussels or London.

Long ago, it became clear to us in Europe that we cannot put a fence around the EU, and consider that we can be safe within our little fortress, protected from hunger, disease and war by our own prosperity. We realized that our won prosperity and security is deeply dependent on the prosperity, security and stability of our neighbors – and in the modern world, we are all neighbors, global neighbors.

If that is the case in Europe, how much more is it the case here in the Philippines? From an external perspective with so many OFWs working around the world, concern has been expressed that the current recession may lead to some of these workers being forced to return home and to seek employment here, in an already very overcrowded labor market. From an internal perspective there are some wise commentators (though fewer than I might hope) who have pointed out that poverty in Mindanao, apart from being a terrible blot on the image of the country, poses a direct threat for the prosperity and security of the Philippines as a whole.

In this perspective, helping our fellow – men (and women and children) rise out of poverty, and have proper access to education and employment, to food and medicines, is not just a humanitarian or moral obligation. It is also something which can be seen in a context of pure-self-interest--or perhaps I should say enlightened self-interest.

This is the context in which your efforts, t he work of PBSP and all its partner organisations, is so very important. Working to address poverty, to promote sustainable development, to help build a better future for those living in poverty in rural or urban areas, is an obligation and an imperative for all of us.

If I return for a moment to an EU perspective, I might just note that the overarching objective of the EU's development cooperation, as outlined in the European Consensus on Development, is the eradication of poverty in the context of sustainable development, including the pursuit of the Millennium Development Goals (MDGs).

Combating poverty will only be successful if equal importance is given to investing in people (first and foremost in health, including reproductive health, and education), investing in the protection of natural resources (in our forests, water, soil and marine resources), in securing rural livelihoods, and in investing in wealth creation (in areas such as entrepreneurship, job creation, access to credits, property rights and infrastructure).

In its development cooperation policy, the EU underlines the importance of the full participation of al stakeholders in a country's development. Civil society, including economic and social partners such as trade unions, employers' organisations and the private sector, NGOs and other non-state actors of partner countries in particular play a vital role as promoters of development, social justice and human rights. And I am delighted that over the years we have been able to work closely with PBSP and its partners in pursuing these goals.

I mentioned a moment ago the question for reproductive health, and I would just like to expand on that. One hundred years ago, the population of the Philippines was around 9 million. Now, the population is 90 million, and there are almost 9 million Filipinos who have been obliged to travel abroad in search for the employment opportunities which this country has not been able to offer at home, and to suffer the effects of separation from their families. I believe that it is imperative that Philippine society should address this question, and that both the government and civil society provide support in the field of reproductive health. Parents want to be given the opportunity to choose how to build their families, to choose how they can best give their children the education that they need, the food and medical care that they need. I very much hope that PBSP could be in the forefront of these efforts, in promoting reproductive health, in the same way that you have led in promoting sustainable development.

EU and Corporate Social Responsibility

Let me turn now to the question of corporate social responsibility, or CSR. In the 50s and 60s, one might say that development was seen as largely a question for the State. From the 70s and 80s, the essential role of civil society became more and more clearly recognised. And from the 90s, the role of the private sector has attracted increasing attention. Indeed the main bilateral and multilateral donors, including the United Nations, the World Bank, the OECD and of course the EU have all agreed on the key role which the private sector can play.

Many businesses, in Europe and around the world, are realizing clear benefits from corporate social responsibility initiatives, with quantified improvements in revenue and market access, in productivity, and in risk-management.

Governments are acknowledging corporate social responsibility as a cost-effective means to enhance sustainable development strategies, and as a component of their national competitiveness strategies to attract foreign direct investment and position their exports in global markets.

Within the EU, the debate on CSR dates back to 1995, but it was in 2000, at the Lisbon heads Summit, that CSR was first put in a key place in our policy agenda. At that Summit, the EU heads of state and government made a special appeal to responsibility of the private sector in helping achieve the EU's strategic goal of becoming, by 2010, the most competitive and inclusive economy in the world.

In addition to promoting CSR within the EU, the European Commission supports CSR globally, acknowledging the key contribution that the private sector can make to achieving the Millennium Development Goals. The ILO Tripartite Declaration of Principles concerning MNEs and Social Policy, the OECD Guidelines for MNEs and the UN Global Compact, as well as other reference instruments and initiatives, provide international benchmarks for responsible business conduct. The European Commission is committed to promoting awareness and implementation of these instruments, and to working together with all stakeholders to enhance their effectiveness.

The EU and the PBSP

Let me end with a final comment on the long-standing and very productive partnership between the EU and PBSP.

I won't attempt to give any listing of the activities which we have undertaken together – I suspect that your records might be better than ours. But I would like to underline the variety of areas in which we have built our partnership, and the success of this partnership in working for our common goals.

Over the years, the EC has provided financial support for a larger number of activities undertaken by PBSP – often, but not always, in combination with support being provided by European NGOs, and by individual EU Member-States.

This has included work in disaster-relief – regrettably, this is a permanent requirement here in the Philippines, with the predictable (and less predictable) risks of floods, landslide, ashflow, or earthquake, as well as the tragedy of man- made disasters, particularly in Mindanao.

This has also included work on agrarian reform, in Batangas a few years ago, on farm credit in Samar, and on tropical forest protection, in cooperation with UNDP. And of course we have supported some of the more classical livelihood and entrepreneurship programmes which PBSP has pioneered.

This has therefore been a very wide-ranging partnership – but it has also. I'm delighted to say, been a very effective partnership. And that is due to the dedication, the skills, the foresight and the commitment of PBSP and all its actors - your staff, your board, your members, and your local partners.

The work of PBSP over the years has made a gigantic contribution to sustainable development in the Philippines, even if much more remains to be done. Which is why I would like to congratulate you for all your efforts for these past 38 years, and to commend you for your future efforts, over the next 38th years and more.

Mabuhay, PBSP, at maraming salamat po, sa inyong lahat, sa inyong trabaho.