

Your Excellencies, Distinguished Guests, Ladies and Gentlemen, good morning.

I am honored to be with you here today, and to be given the opportunity to learn and exchange ideas with some of the world's best entrepreneurs and business leaders.

This Convention's theme of "World Prosperity through Filipino-Chinese Entrepreneurship" echoes the important role that entrepreneurs play in driving the growth of the world's economies. With the global financial crisis yet to come to its end, and with many developed countries still feeling the effects of recession, now is a good time as any to take stock of how our small and medium businesses can help in the rebuilding process. I think that small and medium businesses can play a special role in regional economies and employment, leveraging globalization and entrepreneurship to accelerate the turnaround of this worldwide crisis. The effects of this crisis will be mitigated if entrepreneurs continue to work and trade globally, helping governments promote international trade and finance, thus fostering stronger relationships worldwide and facilitating new opportunities.

The author Thomas Friedman writes the "the world is flat" after realizing that the playing field has been leveled, meaning that with today's technology, a much larger group of people can compete for global knowledge. The world has been flattened to such a degree that individuals can collaborate and compete globally. Indeed, trade barriers have fallen, ushering a new world where small businesses from a developing country like the Philippines, through innovation and efficiency, can have a fighting chance in competing with their bigger counterparts in more developed nations. This "flat world" concept supports businesses that are highly adaptable and innovative, especially those that cater to specific consumer needs. Thus emerging markets need to nurture and develop entrepreneurs able to take advantage of opportunities created by globalization.

For many developing countries, private sector development has been a powerful engine of economic growth and wealth creation, with entrepreneurship as one of the

cornerstones of economic development policies. It is an essential component in promoting employment opportunities and business incentives, as well as welfare-improving programs especially for those in poverty. Entrepreneurship achieves important functions related to efficiency and productivity, competitive pricing, product innovation and service quality, and consequently the survival of industries.

In the Philippines, private sector development and entrepreneurship development are critical in helping achieve the government's Millennium Development Goal of reducing poverty. Both the public and private sectors recognize the benefits of entrepreneurial efforts, as this will help ignite economic growth, improve living standards, and build a worldwide market for Philippine products.

The Philippines is host to some of the best entrepreneurs around the globe. Small and medium-sized enterprises (SMEs) account for the largest share of Philippine entrepreneurs. SMEs, including micro-enterprises, account for over 90 percent of all business establishments and 60 percent of the exporting firms in the Philippines. SMEs currently employ about 55 percent of the Philippine labor force, and contribute 30 percent to total domestic volume sales. It is estimated that the total volume of trading activities attributed to Filipino-Chinese entrepreneurs is about \$60-70 billion per annum. These businesses account for over 5 million jobs for Filipinos. Clearly, there is a vast potential for this segment.

Entrepreneurship in the Philippines is almost always associated with the Filipino-Chinese families. Most of the successful enterprises in the Philippines are owned by members of the Filipino-Chinese community. While most of them started with humble beginnings, these generations of entrepreneurs have built empires across all major sectors of the economy, including banking, food manufacturing and brewery, retailing, hotels and airlines, real estate and tourism, fast food chains, insurance, publishing, schools, and consumer apparel. But aside from managing their businesses, Chinese Filipinos are also active partners in promoting greater civic responsibility in such areas as public security, social welfare, emergency aid, poverty relief, education, and cultural

exchanges. These achievements have made the Filipino-Chinese community an integral part of nation-building and economic development.

For our part, the Metrobank Group has long been a supporter of the entrepreneur spirit. When we started operations in 1962, we were primarily providing financial services to the Filipino-Chinese community. We started our business by servicing the needs of the middle market, mostly SMEs. The primary concern of entrepreneurs has always been access to capital. Back then and to this day, we welcome start-up businesses, providing seed money and working capital to support their operations. Over the years, we have partnered with traders, exporters, and entrepreneurs from diversified industries, supporting growth segments to take better advantage of global trade opportunities. We help provide these viable entrepreneurs access to credit and liquidity. We have seen them grow with us, surviving the many crises especially the 1997 Asian crisis and well into the current global crisis.

According to the 2008 Global Report of the Global Entrepreneurship Research Association, which surveyed about 150,000 adults worldwide, today's recessionary environment is reducing perceived opportunities to start a business, but entrepreneurs are determined to stay in business as the number of individuals expecting to start a business within the next three years remained stable. This is the kind of sentiment that we need in these turbulent times. While this global crisis will be a great challenge, this kind of optimism can steer businesses and entrepreneurs to contemplate their next moves. Let us not forget that many new innovations, such as the supermarket, took off during recessions. And there are a great number of businessmen, many of whom are this room, whose stories of triumph amidst adversity continue to inspire us. In most cases, the common theme is choosing businesses that are sustainable through tough market conditions, delivering value, and staying liquid.

Let me end by quoting Eric Parker in his 2008 book, "Run your own Business and make lots of Money" --- "Far from allowing these developments to cause them anxiety, those who are blessed with entrepreneurial spirit will recognize this new world

order for what it really is, namely the emergence of untold opportunities that are there for the taking.”

Thank you, and more power to all of us!