

Presidential Communications Operations Office

Presidential News Desk

**STATE OF THE NATION ADDRESS OF
RODRIGO ROA DUTERTE
PRESIDENT OF THE PHILIPPINES
TO THE CONGRESS OF THE PHILIPPINES**

[Delivered at the Session Hall of the House of Representatives, Batasang Pambansa Complex,
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Kindly sit down. Thank you for your courtesy.

Senate President Vicente Sotto III and the members of the Senate; House Speaker Pantaleon Alvarez and the members of the House of Representatives; Vice President Maria Leonor Robredo; Former Presidents Fidel V. Ramos, Joseph Ejercito Estrada, and Gloria Macapagal-Arroyo; His Excellency Gabriele Caccia and the esteemed members of the diplomatic corps; Executive Secretary Salvador Medialdea and the members of the Cabinet; Acting Chief Justice Antonio Carpio and the justices of the Supreme Court; my fellow workers in government; mga kababayan.

About two years ago, I solemnly took my oath as a worker of the national government. I was as inspired to institute real changes for the greater good of the Filipino people, as I was greatly overwhelmed then by the daunting challenges that lay ahead.

Two years later, my solid commitment to directly and decisively address our nation's collective challenges remains. It has not wavered. In truth, it has even gotten stronger through adversity and the desire to give the people the most we can, within my term in this government.

Let me begin by putting it bluntly: the war against illegal drugs is far from over. Where before, the war resulted in the seizure of illegal drugs worth millions of pesos, today, they run [into] billions in peso value. I can only shudder at the harm that those drugs could have caused had they reached the streets of every province, city, municipality, barangay and community throughout the country.

This is why the illegal drugs war will not be sidelined. Instead, it will be as relentless and chilling, if you will, as on the day it began. These drug dealers know fully well that their business is against the law. They know the consequences of their criminal acts, especially when caught in flagrante delicto and they violently resist arrest. They know that illegal drugs waste away lives, dysfunctionalize families, and ruin relationships. They know that once hooked, addicts will die slowly --- slow deaths. And yet, they persist in doing what they do, oblivious to the terrible harm that they cause to the people and communities.

And when illegal drug operations turn nasty and bloody, advocates of human rights lash at—and pillory—our law enforcers and this administration to no end. Sadly, I have yet to hear really howls of protest from the human rights advocates and church leaders against drug-lordism, drug dealing and drug pushing as forceful and vociferous as the ones directed against the alleged errant [law] enforcers in the fight against this social scourge.

If you think that I can be dissuaded from continuing this fight because of [your] demonstrations, your protests, which I find, by the way, misdirected, then you got it all wrong. *[applause]*

Your concern is human rights, mine is human lives. *[applause]* The lives of our youth are being wasted and families are destroyed, and all because of the chemicals called shabu, cocaine, cannabis, and heroine.

Human rights to me means giving Filipinos, especially those at the society's fringes, a decent and dignified future through the social and physical infrastructures necessary to better their lives. The lives and freedoms and the hard-earned property of every Filipino whose condition we wish to improve shall be protected from criminals, terrorists, corrupt officials, and traffickers [of] contrabands.

You worry about the present; I am concerned [about] both-the present and the future. *[applause]* I worry about the future because I know what crimes can do to the youth of this country. If not stopped, crimes can make human cesspools of succeeding generations. I will not allow it to happen. Not during my term. *[applause]*

Time and again, I have stressed that corruption must stop. *[applause]* Corruption is like a leech that it bleeds the government of funds programmed for its infrastructure and other social development projects. It saps the morale or the morale of dedicated and honest government workers.

Corruption destroys those who succumb to its temptation and eventually it is the innocent who will suffer and bear its horrible consequences.

The love of money is corrosive. And sadly, the desire to make the easy kind by being imaginative and manipulative, corrupts absolutely. Stolen wealth does not make the thief respectable. Neither will the trappings of wealth mask [nor] cap the stink that thievery exudes. One day, justice will catch up with those who steal government funds. And when that day comes, it will be the public who will have its retribution.

While we run after those who steal the people's money, we are also enhancing the government's delivery of frontline services. I thank Congress for the swift passage of the Ease of Doing Business [Act], *[applause]* which is a significant fight against corruption and improving service delivery. We need to sustain our momentum. And I hereby direct all [local] government units --- makinig sana kayo --- and government agencies to faithfully implement this law and simply simplify the process. Hinihingi ko ho 'yan sa lahat nasa gobyerno under my control and supervision. Huwag ho kayong magkamali.

I particularly call the attention of the agencies with the [most] number of red tape-related reports from the public, make your services truly customer-friendly. Our people deserve efficient, effective, and responsive government services. They deserve nothing less. *[applause]* Kayo lang ang ayaw eh. Gusto ng tao kayo 'yung binabayaran, make your living from the pockets of the people, and you have a lousy and corrupt bureaucracy.

I have friends and political supporters whom I appointed to public office and then dismissed or caused to resign. I need not mention their names or recount the circumstances surrounding their removal or resignation. Media has more than amply reported that.

I value friendship, make no mistake about it. But it has its limits.

This is a lonely place I am hemmed in. Do not make it lonelier by forcing me to end our friendship because you gave me the reason to end it. It pains me to end --- the loss of friendships. And that is why I appeal to you to help me in my cause so that our friendship will endure.

For as long as I can remember, the bulk of the income generated in Mindanao used to be remitted to what we, in Mindanao, refer [to] as the "Imperial Manila" to fund national projects primarily in the Metro Manila area, leaving a pittance to Mindanao as its share thereof. Mindanao was dubbed as "The Land of Promise," and Mindanaoans say in derision that this is so because what it got from the government through the years were promises, promises and more promises.

We aim to rectify that derisive observation and, as a matter of fact, we are now in the process of fulfilling that promise through significant increases in the budget for Mindanao. At the end of my term, I hope to see the promise of Mindanao fulfilled, or at the very least, approaching fulfillment.

Be that as it may, Mindanao pauses at the crossroads of history. One road leads to harmony and peace; the other, to war and human suffering.

Despite all that has been said [for] or against the Bangsamoro Organic Law by all sectoral groups, I make this solemn commitment that this administration will never deny our Muslim brothers and sisters the basic legal tools to chart their own destiny within the Constitutional framework of our country.

When the approved version is transmitted and received by my office... The law has been passed actually and I intend to... Give me 48 hours to sign it and ratify the law. *[applause]* Babasahin ko pa bago ko pipirmahan. Baka may isiningit kayo diyan na hindi maganda para sa --- para sa ibang tao.

We will need loads of understanding and patience to endure and overcome the birth pangs or pains of the new beginning. To me, war is not an option. We have been through the catastrophe in Marawi. We have seen the horror, the devastation, and the human toll and the displacement of both Christians and Muslims alike.

I have made a pledge that ISIS terrorists or groups or its allies will never gain foothold in our country. Yet, when what remained of the decimated Maute-ISIS group in Marawi finally saw the error of their ways and expressed their desire to be reintegrated into society, we welcomed them with open arms and embarked on genuine efforts to embrace a peaceful, productive life for them. We owe it to our fallen soldiers and police officers in Marawi and elsewhere to put an end to the bloodshed and seek the path of true peace—a peace that will last beyond this lifetime, and whose dividends our children will reap.

On international relations, we shall continue to assert and pursue an independent foreign policy. Our long-term national development and national security goals come first.

We shall continue to reach out to all nations regardless of their prevailing political persuasions or proximity to or distance from our shores so long as these nations wish us well.

Our stronger bonds with our ASEAN friends have made possible our trilateral border patrols with Indonesia and Malaysia, which has since then put out of business sea pirates, piracy and other terrorists who used to infest our shared seas. This is a testament to the readiness of our country and our good neighbors to make regional peace and security our shared responsibility.

We have successfully hosted the 50th ASEAN Anniversary and the 31st ASEAN Summit last November 2017. We have shown the world what we are capable of when we work together. The ASEAN events showcased not only the world-renowned Filipino hospitality and organizational capabilities but also our artistic talent. I would like to commend the [ASEAN National] Organizing Council led by no less than my Executive Secretary, Salvador Medialdea. *[applause]*

Our re-energized relations with China has also led to an unprecedented level of cooperation between our nations on the war against transnational crimes. Our shared intelligence led to the discovery and dismantling of the clandestine shabu laboratories and the arrest of Chinese chemists [connected] with the Dragon organization called Wu Syndicate.

Our improved relationship with China, however, does not mean that we will waver in our commitment to defend our interests in the West Philippine Sea. *[applause]* This is why we engage China through bilateral and multilateral platforms such as the ASEAN-China and the Philippines-China Bilateral Consultation Mechanism.

Opening lines of communication and amicably managing differences have led to positive developments that include renewed access of Filipino fishermen in the areas in dispute in the Philippines --- West Philippine Sea.

Participation in the ASEAN-China dialogue has also resulted to the draft framework for the Code of Conduct in the South China Sea which intends to resolve disputes by peaceful means.

We admire our Filipino migrant workers for their selflessness and courage in enduring the hardships of living away from home to provide for their families. You epitomize the innate resilience of the nation. You have shown your willingness to toil and sacrifice day-in and day-out, for the long-term good of your family and loved ones. You have also contributed greatly to the national economy, even as you help in small and big ways to the economies of our international partners.

This is why we strongly condemn the deaths and abuses experienced by Filipino migrant workers in the hands of their foreign employers. I have said this before and I say it again: I am a worker of government, and it is my vow to make sure that your well-being remains our foremost foreign policy concern. *[applause]*

It is for this reason that we are continuing to work with the host nations to ensure the welfare of our countrymen. I appeal to all host governments to help us, as true and dependable partners, in this endeavor.

I have always believed that no matter how well-intentioned a leader is, no matter how well-conceived may be his mission, if he lacks the political will to do what needs to be done, then he can only end up a failure and a hopeless dreamer.

As a worker of government, I promised to do whatever it would take to give all Filipinos a comfortable life, fighting powerful interests and making sacrifices. My obligation is to promote and uphold the greatest good, for the greatest number. *[applause]*

Our campaign against Endo has resulted in the regularization of more than 300,000 workers as of early this month. On May 1 of this year, I signed Executive Order 51, which sought to protect the workers right to security of tenure.

Read my lips, I understand that this does not satisfy all sectors. I share their sentiment; I truly do. Much as I would like to do the impossible, that power is not vested upon me by the Constitution. And neither will I make both ends meet even if I violate the laws to achieve that purpose. Simply, it is not part of my territory.

That is why I add mine to their voices in asking Congress to pass legislation ending the practice of contractualization once and for all. *[applause]*

Our farmers, especially our coconut farmers, form a significant part of the basic sectors of society. It is from the toil of their hands that we put food on the table. It is my hope that we finally see this through. I urge you Congress to convene the [bicameral] conference committee and pass at the soonest possible time the bill establishing the Coconut Farmers' Trust Fund. *[applause]* I pray that you will do it.

My administration remains firm in its resolve to ensure that the country's telecommunications services are reliable, inexpensive and secure. A draft Terms of Reference for the entry of a new, major industry player is at hand. The terms will be fair, reasonable and comprehensive. It will be inclusive so it will be open to all interested private parties, both foreign and local. The only condition is that the chosen entity must provide the best possible services at reasonably accessible prices.

However, our efforts to usher in a new major player shall be rendered futile if we do not improve its odds of success in an industry that has long been dominated by a well-entrenched duopoly.

We shall, therefore, lower interconnection rates between all industry players. Not only to lessen the cost to the consumers as it will also lower the costs [for the] incoming player to access existing networks, [thereby creating] a market environment that is more conducive to competition. This is a policy which is crucial to ensure that our solution to our telecommunication problems will be both meaningful and lasting.

In the last 2 years, experience has taught me that lack of consultation or insufficiency of information can, at times, lead to rash judgments. If and when I am unsure on the most appropriate course of action to take given the problem, it's factual milieu and the desired end, I never fail to consult to discuss options with persons whom I trust and whose advise I value.

When I decided to establish Malasakit Centers in Cebu, Tacloban and Iloilo, my long-time aide, Bong Go and his team became instrumental in arriving at the right decision through proper consultations. *[applause]*

Deliberations with the proper agencies also made me decide to push for, and eventually approve, both the [free] Tertiary Education Act and the increase in the salary of our men in uniform, our soldiers and our policemen. *[applause]*

Boracay Island, widely regarded as one of our country's treasures and admired worldwide for its natural beauty, has sadly become the representation of the government's negligence, including mine.

I could not allow this decay to continue; decisive action has long been overdue. Recognizing that we are mere stewards of our natural resources, and I said enough is enough.

We intend to restore its environmental integrity, alongside measures to alleviate those whose livelihood were momentarily affected. Environmental protection and ensuring the health of our people cannot be overemphasized; thus, our actions in Boracay mark the beginning of a new national effort.

This is just [the beginning]. For the other tourist destinations needing urgent rehabilitation and enforcement of environmental and other laws shall soon follow. I urge our local government units to proactively enforce our laws and not wait for us to swoop down on your areas just to do your duty and work. *[applause]* At some other time, I would have to discuss sa local government units.

What has happened to Boracay is just an indication of the long-overdue need to rationalize, in a holistic and sustainable manner, the utilization, management, and development of our lands. I therefore urge the Senate to urgently pass the National Land Use Act *[applause]* to put in place a national land use policy that will address our competing land requirements for food, housing, businesses, and environmental conservation. We need to do this now.

To help safeguard the present and the future generations, we have to earnestly undertake initiatives to reduce our vulnerabilities to natural hazards, and bolster our resilience to the impact of natural disasters and climate change.

As I had stated last year, we must learn from the experiences from the Super-typhoon Yolanda, and other mega disasters, and from global best practices. We need a truly empowered department characterized by a unity of command, science-based approach and full-time focus on natural hazards and disasters, and the wherewithal to take charge of the disaster risk reduction; preparedness and response; with better recovery and faster rehabilitation.

Hence, we, in the Cabinet, have approved for immediate endorsement to Congress the passage of a law creating the "Department of Disaster Management," *[applause]* an inter-agency --- just like FEMA. Well, I don't know if it's --- it's an effective agency in the United's government.

An inter-agency crafted and a high-priority measure aimed at genuinely strengthening our country's capacity for *[resilience]* to natural disasters. I fervently appeal to Congress to pass this bill with utmost urgency. Our people's safety requirements cannot wait.

Ours is a rich and beautiful country, indeed. Add to that a great number of people equipped with technical expertise and professionalism, and you have a country poised to soar and take its place among the world's economic and financial eagles. God willing. Inshallah.

Nature endowed us with this wealth to be tapped for the benefit of all generations. My policy in the utilization of these resources is non-negotiable: the protection of the environment must be top priority *[applause]* and extracted resources must be used for the benefit of the Filipino people, *[applause]* not just a select few. Do not just give me taxes. I can get it from other sources. Give me what needs to be given to my countrymen. *[applause]*

To the mining industry, I say this once again and maybe for the last time, do not destroy the environment or compromise our resources; repair what you have mismanaged. Try to change *[your]* management radically because this time you will have restrictive policies. The prohibition of open pit mining is one. *[applause]*It is destroying my country. It is destroying the environment. It will destroy the world of tomorrow for our children. *[applause]*

Again, I warn irresponsible miners, along with their patrons, to stop destroying our watersheds, recharge areas, forests, and aquatic resources. You can no longer fish in our rivers. It's all contaminated. And the color is not even brown or white, it's black. You want to see it? I will invite you. We can go to Diwalwal and the other mining areas. And I'm sure you will puke with what is happening to this country. Expect reforms, radical ones. I do not intend to quarrel with anybody, with the moneyed, but for as long as I am here I said: you will just have to contend with me.

I expect you to do your part in ensuring our nation's sustainable development, starting now.

I exhort all concerned agencies and local government units to uphold the concept of inter-generational responsibility in *[the exploration]* and utilization of our mineral wealth, the protection and preservation of our biodiversity, anchored on the right to a balanced and healthy ecology.

I applaud Congress for the timely passage of the TRAIN law. You have made funds available to build better roads and bridges, and improve health and education, and strengthen our safety and security. Some have incorrectly blamed our efforts toward a fairer tax system for all the price increases in the past months, and some irresponsibly suggesting to stop TRAIN's implementation. We cannot and should not. We need this for sustainable growth that leaves no Filipino left behind.

TRAIN is already helping poor families and senior citizens cope up with rising prices. We have distributed unconditional cash transfers to 4 million people, and we will help 6 million more this year.

Following the one-peso discount per liter in gas stations, we have also started releasing fuel vouchers to public utility jeeps and other valid franchises. Further, we have fast-tracked the distribution of NFA rice to provide affordable rice for all. *[Excuse me.]*

This year, we are giving 149 billion pesos worth of subsidies to the poor and vulnerable. Next year, the amount will be increased to 169 billion pesos.

But no amount of subsidy can help the poor if some businesses take advantage of the situation to make more money. I ask businesses to cooperate with us in charging a fair price.

To help stabilize rice prices, we also need to address the issue of artificial rice shortage. I now ask all the rice hoarders, cartels and their protectors, you know that I know who you are: stop messing with the people. I hate to... Power sometimes is not a good thing. But I hope I will not have to use it against you.

Consider yourselves warned; mend your ways now or the full force of the State shall be brought to bear upon you. I am directing all intelligence agencies to unmask the perpetrators of this economic sabotage and our law enforcement agencies to bring them to justice.

We are also working on long-term solutions. On top of this agenda to lower the price of rice. We need to switch from the current quota system in importing rice to a tariff system where rice can be imported more freely. This will give us additional resources for our farmers, reduce the price of rice by up to 7 pesos per kilo, and lower inflation significantly. I ask Congress to prioritize this crucial reform, which I have certified as urgent today.

Alam mo, ako humihingi talaga ng tulong. Business is really for profit I understand that. But the Philippines has always been a playground for, you know, scoundrels and those who do it without really considering the plight of the others. It's all conscience.

When I ran for public office, I promised to do whatever it takes to give all Filipinos a comfortable life, even if it means fighting powerful interests. I am committed to a comprehensive tax reform, and I ask Congress to continue the job.

Package 2 will lower corporate income taxes, especially for our small businesses. Lower taxes mean they will have more money to invest and create more jobs. More than 99 percent of our businesses are micro, small, or medium enterprises (MSME) and employ around 65 percent of our workers. The enactment of the Package 2 is what stands between today and millions of jobs in the near future.

Congressmen Cua, Gonzales, Abu, and Garin and Batocabe, as well as the Suansing family, filed versions of Package 2 last March 2018. Salamat po *[applause]* and I support their push to shepherd the bill. I hope the Senate will follow suit, maybe tomorrow, sir.

This matter is urgent. Do not be part of the problem by ignoring it. I hope to sign Package 2 before the year ends. I urge Congress to pass it in a form that satisfies our goals and serves *[applause]* the interests of the many, not just the wealthy few.

By the end of July 2018, all 5 packages of my tax reform would have been submitted to Congress. Apart from TRAIN, rice tariffication, and Package 2, they include the mining, alcohol, and tobacco tax increase, reform in property valuation, reform in capital income and financial taxes, and an amnesty program.

I urge Congress to take them seriously and pass them in succession, for there is no chance that we can deliver our promises without an equitable tax system.

One of the most important thrusts of this administration's medium-term development plan is to cover all Filipinos against financial health risks. That is why I have directed concerned agencies to streamline the various sources of financial assistance for people with health-related needs.

We are currently institutionalizing the unified implementation of the "No Balance Billing Policy" *[applause]* through which the government and our private healthcare providers can work out a system that will provide an order of charging of medical expenses.

Much needs to be done to improve our healthcare system, which remains highly fragmented, resulting in disparity in health outcomes between the rich and the poor in the urban areas and rural. While investments in health have increased over the years, several policy and operational bottlenecks have constrained universal health care for this country.

We shall pool all our resources for health services under the [PhilHealth]; institutionalize primary care as a prerequisite to access higher level of healthcare; and supplement human resource gaps of the LGUs through a National Health Workforce Support System.

These will ensure that every Filipino [family] gets the appropriate, affordable, and quality health services in appropriate facilities and will be protected from financial burden due to sickness.

To this end, I urge the speedy passage of the Universal Health Care Bill authored by Former Representative Harry Roque. *[applause]* Strong political determination, not political ambition, is the guiding light. *[applause]*

I have no illusions of occupying this office one day longer than what the Constitution under which I was elected permits; or under whatever Constitution there might be.

Four administrations before me have tried to amend the Constitution to be able to introduce amendments and reservations to the charter --- revisions rather to the charter. But none of them has successfully done for one reason or another.

I therefore consider it a distinct honor and privilege to have received earlier from the Consultative Committee that I created, the draft Federal Constitution that will truly embody the ideals and aspirations of all the Filipino people. *[applause]*

I thank all the members of the Committee, especially those who came out from their retirement, for their valuable services in crafting this draft Federal Constitution. I would like to extend my particular gratitude to Former Chief Justice Reynato Puno *[applause]* and Former Senate President Aquilino Pimentel, Jr. *[applause]*

I am confident that the Filipino people will stand behind us as we introduce this new fundamental law that will not only strengthen our democratic institutions, but will also create an environment where every Filipino—regardless of social status, religion, or ideology—will have an equal opportunity to grow and create a future that he or she can proudly bequeath to the succeeding generations.

My countrymen, I will not bore you with a litany of this administration's projects completed otherwise in the process. That would be too self-serving. I have instead caused to be prepared a written report on what has --- what was and what has been done in the months and probably in the years to come. The reports shall be made available within the next few days.

I was informed that satellite facilities were set up by the Presidential Communications Operations Office in certain far flung barangays so as of today the residents of these communities can watch the State of the Nation and for the first time see you on TV. I hope you have enjoyed the experience. *[applause]*

In ending, may I quote --- I have always quoted but --- in my previous talks. One American that I salute, the great Abraham Lincoln. And this has been --- I've been in government for the last... If I completed my... If I complete my term, Inshallah, God willing, I would have served government for 40 years.

And I came across this statement which has been with me since I was a fiscal in the 70s. And he said: If I were to try to read, much less answer, all the attacks made on me, this shop, the presidency, might as well be closed for any other business. I do the very best I know how—the very best I can; and I mean to keep doing so until the end. If the end brings me out all right, what is --- what has been said against me won't amount to anything. But if the end brings me out wrong, ten angels of God swearing that I was right would make no difference.

Daghang salamat ka ninyong tanan. *[applause]*

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