

## **Amando M Tetangco, Jr: Nurturing world-class finance leaders**

Speech by Mr Amando M Tetangco, Jr, Governor of Bangko Sentral ng Pilipinas (the central bank of the Philippines), at the 14th Inter-Collegiate Finance Competition, Manila, 22 October 2012.

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Good afternoon everyone!

On behalf of the Bangko Sentral ng Pilipinas, I congratulate all the students and the schools that participated in this 14th Inter-Collegiate Finance Competition of the Financial Executives, Inc. and its partner JP Morgan Chase.

I have personally witnessed a number of previous years' final rounds and I can tell you this competition is tough and definitely not for the faint-hearted. Participants only have a few minutes to solve difficult questions; these are questions patterned after the notoriously challenging Chartered Financial Analyst examination for experienced finance practitioners.

Let us therefore give a well-deserved round of applause to all the students, their mentors, and supporters from about 90 schools who entered the competition. I am happy to note that the finalists come from 20 schools scattered in Luzon, Visayas and Mindanao, proving once again that academic excellence is present across the Philippines.

Let us also thank the delegates from the Assumption University of Thailand, the University of Guam, and the National University of Singapore for joining this event and giving it a regional scope.

FINEX President Ramon Opulencia explains that this competition aims to expose students and schools to world-class finance education standards, as well as to promote exchange of ideas, cooperation, networking and friendship among the participants.

We at the Philippine central bank support FINEX in this program for a number of reasons. Ladies and gentlemen, you and I know the value of keeping our financial system healthy on an institutional, national, regional, and global level. For better or for worse, financial systems affect economies and the lives of millions even billions of people.

It is important to ensure therefore that the people responsible for running the finances of our institutions in particular and our financial system in general meet the high standards required by their job.

FINEX deserves our recognition therefore in engaging students and schools to raise the bar of excellence in financial education year after year. Let us thank the hardworking members of FINEX for their undiminished commitment to this program with a round of applause.

In this connection, I am looking forward to seeing FINEX work with our schools to make sure that ethical practices and social responsibility complete the education of our students. It would be helpful to discuss the consequences of bad or good ethical and social responsibility practices in particular institutions, here and overseas.

Of course, running after a healthy bottom line is a valid and natural pursuit. However, this should be done within the parameters of ethical and social responsibility standards, if the intention is to stay in business for the long haul.

In fact, studies have repeatedly shown that given a choice, customers, particularly the youth, support companies they perceive as more trustworthy and socially responsible.

Another reason why the Bangko Sentral supports this annual event is our belief that fair and open competition elicits the best possible performance from market players which in turn benefits their customers. As such, I look forward to this competition where the final 20 teams will apply their holistic competence in crafting their answers.

Ladies and gentlemen, the students here today remind us that with good mentoring and support from their school, family, friends, and industry groups they will be prepared for the challenges they will face in the market place.

For us in the central bank, we derive considerable pleasure in the thought that we are nurturing world-class and responsible financial leaders. A word of advice to our young competitors: a wise man once said, winning is a great reward but preparing for the future is the greater prize.

I wish therefore that all of you will continue to maintain the high standards of discipline that have brought you here. I also wish that you will apply your learnings to achieve financial health for yourself and mentor your family, friends and your larger community to achieve the same.

This is the same rationale that underpins the Bangko Sentral's economic and financial education program. Our objective is to empower our people to improve their financial well-being by making informed decisions on saving, investing and managing their resources.

In addition, having a well-informed population on basic economic and financial concepts contributes to financial stability as more Filipinos become participants in our financial mainstream.

For your information, latest available figures indicate that only about 20% of Filipino households have bank accounts. Nevertheless, we are optimistic that given our ongoing national campaign to broaden and deepen the reach of our financial education program, this indicator is bound to improve.

Our economic and financial education program covers students starting from Grade 1 to college, to teachers and parents, to overseas Filipinos and their dependents, and the general public. Of course we implement this in partnership with other institutions such as the Department of Education, the Department of Labor, NGOs, private sector organizations such as FINEX, the banking community and multilateral agencies.

Indeed, by working with a broad network of partners to promote financial education and to develop an inclusive financial system, we can achieve our national goal of sustained and inclusive growth for all.

Ladies and gentlemen, these are not mere buzzwords. Be mindful that while our economy continues to grow and expand, at least 20% of our population still live in poverty. Sure, we are making progress but we need to work on accelerating the process of improving our peoples' quality of life. As a people, we are great. Among many other positive traits, we are talented, creative, flexible, fun, hardworking and innovative.

It is our hope therefore that our students here will continue their journey to become leaders in our economy leaders who are world-class, ethical, and socially responsible.

My understanding is that FINEX will continue to monitor your development, whether you are in the private sector or in government agencies such as the Bangko Sentral ng Pilipinas. Yes, if you have the aptitude and the desire to become world-class civil servants, we need you to apply with us here at the Bangko Sentral.

Again, to all the students, the schools you represent, the mentors who have taught you well, the organizers- JP Morgan Chase and FINEX, our congratulations for a job well done.

And to the winners of the 14th Inter-Collegiate Finance Competition, we salute you for being at your best among our country's best.

Mabuhay ang ating mahal na bansang Pilipinas!

Maraming salamat sa inyong lahat.