

Speech by His Excellency Svend Wæver, Ambassador of Denmark to the Philippines and Malaysia on the celebration of the 69<sup>th</sup> birthday of Her Majesty Queen Margrethe II

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Your Excellencies,  
Honoured Guests,  
Ladies and Gentlemen,

Welcome to all. I am glad to be here. I am glad being able to organize this night's festive event on April 16, the day of H.M. Queen Margrethe's II 69<sup>th</sup> birthday.

The birthday of the Monarch is always an occasion for a celebration. Queen Margrethe II was born on April 16, 1940 that is at the beginning of the 2<sup>nd</sup> world war. Denmark had been invaded on April 9<sup>th</sup>, 1940 and had thus at the time of H.M. birth been under occupation for 7 days. Several servicemen had lost their lives. The birth of a Danish princess was an event that attracted particular attention. It created a glimmer of hope at a time of deep frustration and concern about the future. The occupation lasted 5 long years. The crown princess who became the Queen of Denmark thus from her birth had a very special place in the hearts of the Danes. The fact that she later turned out to be a very able Monarch with gifts in many fields of life gave her the respect and the admiration of her people.

Celebrating the Queen's Birthday in the Philippines was a yearly tradition when Denmark had an Embassy and a resident ambassador in Manila. I intend to reintroduce that tradition and to make it a real festive event, whilst at the same time taking into account the realities of today and tomorrow.

Danish interests in the Philippines have, as you know, since 2002 been taken care of by the Embassy in Kuala Lumpur. Thanks to the very valuable assistance from the Danish Consul General and the Consulates in Manila and in Cebu, a daily presence in the Philippines was and is however preserved.

Meeting with our Consuls and with Danish businessmen in connection with my handing over of credentials to president Gloria Arroyo in January and again when visiting Cebu in February in connection with the yearly PAWD convention I registered the need for an upgrading of the Danish presence in the Philippines. Tonight's National Day celebration is to me a steppingstone in the direction of a more substantial and regular presence.

A credible basis for an enhanced presence in my view has to be the expansion of trade between Denmark and the Philippines. Having said that, Ladies and Gentlemen, you have good reason to ask what is the strategy of the Danish Embassy going to be with regards to enhancing trade between Denmark and the Philippines? And what will be the practical implications?

The Philippines is most certainly not a new market to Danish Companies. The latest figures show, that trade between our two countries amounted to more than USD 43 million in the first half of 2008. We thus already have a significant trade and we will take more steps to exploit the potential. I believe we can do a lot better.

This said, we have a global financial crisis at our hands. Most of Europe suffers from zero or negative growth, raising unemployment and falling exports. Denmark has not been spared. Fortunately, the crisis has been slow in reaching the Philippines. But now export figures have dropped and the important income from Filipinos abroad is weakening.

What should such a development tell Danish companies seeking to reduce their costs back in Europe? What should such a development tell Danish companies still having capital to invest in a foreign market, but at the same time wanting to take a cautious approach? Well! What would be the advice of the Danish Embassy? How does the Embassy evaluate business opportunities in today's Philippine market?

Most advice of that kind would of course be modelled to fit the individual firm seeking advice, but the Embassy can indeed point to certain general factors prevailing in the Philippine market:

- Skilled labour readily available for outsourcing companies and investors wanting to set up a production line
- Danish export industries already has a good name in the Philippines. Our brands are renowned within a sector like environmental technology including water and energy. Additional sectors of interest are fisheries, mining, food and food processing and furniture.
- The Philippines is ripe for investment in climate projects, the so-called CDM (Clean Development Mechanism) projects.

The Danish Embassy will build on lessons learned, look for comparative advantages to be exhausted and to the extent we already have a foot in the door, we will attempt to open that door even wider.

The Laguna Water-project is an example of the latter. The past 3 years, plants have been renovated and optimised by use of Danish technology provided by Grundfos, Danfoss and AVK. Recently the Company Picca added a system to operate the pump stations, logging all relevant data and handling the system alarms. Today, the Laguna project can prove that it has saved over 40% of its energy expenses. The total investment will be

paid off after 1.5 years. Many visitors from other water districts arrive at Laguna to see the work that has been undertaken.

The Bangui Bay project is a similarly successful project. It is the first wind renewable energy project to deliver electricity on a wholesale basis in the Philippines and in the whole of South-East Asia. Since its incorporation in June 2000, the project has sold renewable and environmentally-friendly electricity to Ilocos Norte Electric Cooperative and thus provided 40% of the power in the province of Ilocos Norte. In 2008, the second phase of the project was launched. It meant an increase in its total maximum capacity to 32MW.

The NorthWind Bangui Bay project had not been financially viable without the help of CDM under the Kyoto Protocol.

This project is one of the first CDM projects in the Philippines. Furthermore, its great success has shown that the Philippines has great potential of establishing more CDM projects in the future.

The Danish Embassy, with its considerable experience from Malaysia, stands ready to assist the Philippine government as well as Philippine enterprises in identifying and developing new projects within the focus area of CDM as well as provide the country with state-of-the-art technology.

On the practical front, I look forward to seeing results of the meetings that 3 young and energetic colleagues from the Embassy accompanying me to the Philippines have had yesterday, today and tomorrow here in town, and also to tonight'. Together they form the trade section of the Embassy. Allow me to present them to you: Senior Commercial

Advisor Shen Ho; Christina Wong, our senior CDM Commercial Advisor; and last Commercial Advisor Jamie Yong; 3 very competent ladies.

Furthermore, the Embassy will take steps to update its website with regards to what is likely to interest Danish investors as concerns the Philippine market. Our list of Danish subsidiaries represented in the Philippines as well as our advice about how to do business in the Philippines have been expanded and improved.

Finally, I promise you that apart from regular visits, my team of commercial advisors stand ready to go to the Philippines whenever a concrete opportunity merits their presence. When the Embassy goes to the Philippines, it will be flagged at the Embassy website well ahead of the visit.

I would like to express Mr. Erik Møller Nielsen, our Danish Consul; Mr. Poul Pedersen, our Danish Vice Consul as well as to Mr. Sabino Dapat, our Consul in Cebu for taking good care of Danish interests here in the Philippines and for always being helpful in any respect. A great thank to you!

Special thanks shall also be given to the consular staff of the Danish Consulate in Manila Ms. Nema Aquillo, Consular Officer, Ms. Maria Eloisa Quijano, Consular Assistant, and Colleagues from the Danish Consulate in Cebu, namely, Ms. Lourdes Cambonga and Ms. Rosita Soriano, Consular Officer and Consular Assistant, respectively, for assisting the Embassy in the best possible way, including organizing and arranging tonight's event.

We highly appreciate the presence and contributions of our dear sponsors for bringing those Danish products on display, some of which are to be raffled off for you all. The winners' name will be displayed at the Registration table, kindly check as you leave later.

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Let's give them all a toast and at the same time send our good wishes to H.M. the Queen on her 69<sup>th</sup> birthday.

To Queen Margrethe II;

To President Gloria Arroyo and the Philippine people

To enhanced cooperation with the Philippine government and the Philippine business community.

Thank you all for coming.

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