


FOURTEENTH CONGRESS OF THE }  
REPUBLIC OF THE PHILIPPINES }  
*Second Regular Session*

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SENATE

RECEIVED BY 

PS Res. No. 1031

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Introduced by Senator Manny Villar

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**RESOLUTION**

**URGING THE SENATE COMMITTEE ON TRADE AND COMMERCE, COMMITTEE ON AGRICULTURE AND FOOD AND OTHER APPROPRIATE SENATE COMMITTEES TO STUDY IN AID OF LEGISLATION, THE EFFECTS OF THE FULL IMPLEMENTATION IN JANUARY 2010 OF THE ASEAN FREE TRADE AREA-COMMON EFFECTIVE PREFERENTIAL TARIFFS (AFTA-CEPT) SCHEME TO OUR LOCAL INDUSTRIES WITH THE END-IN-VIEW OF RECOMMENDING ITS TEMPORARY SUSPENSION CONSIDERING OUR CURRENT ECONOMIC SITUATION**

**WHEREAS**, the National Federation of Hog Farmers, Inc. (NFHFI) has expressed fears that the full implementation of the ASEAN Free Trade Area-Common Effective Preferential Tariffs (AFTA-CEPT) Scheme in 2010 would affect our country's hog industry;

**WHEREAS**, the CEPT Scheme will reduce import tariff rates to 0-5 percent on all manufactured goods including capital goods and processed agricultural products beginning January 2010;

**WHEREAS**, its implementation will make importation much more attractive than procuring locally-manufactured goods and products and thereby, impinge on and discourage our local investors particularly our hog raisers from further venturing into business;

**WHEREAS**, the reduction of intra-regional tariffs and the elimination of quotas and licenses as well as non-tariff barriers which are provided for under the CEPT Agreement, may cause injury to our domestic industries with the potential decline in sales, prices or market share and downward trends in production, profits, wages, productivity or employment;

**WHEREAS**, one of the industries that will most likely be affected by the CEPT Scheme is our hog raising industry which, according to NFHFI, cannot possibly compete with other ASEAN members considering their low production cost;

**WHEREAS**, although the practice of trade liberalization in the ASEAN has since 1992, increased its competitive edge as a production base geared for the world market, the current fragile state of economies however, in this case the Philippine economy, may not be the appropriate period to fully implement the

AFTA-CEPT Scheme as this may ostensibly add more injury to our already looming economic state of affairs;

**NOW THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED** to urge the Senate Committees on Trade and Commerce, Agriculture and Food and other appropriate Senate Committees to study, in aid of legislation, the effects on the implementation of the AFTA Common Effective Preferential Tariff (CEPT) Scheme to our local industries with the end-in-view of recommending suspension for its implementation considering our economic state of affairs.

Adopted,

  
MANNY VILLAR