

SIXTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
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SENATE

P.S.R. No. 191

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Introduced by SENATORS SONNY ANGARA and PAOLO BENIGNO "BAM" AQUINO IV

RESOLUTION
DIRECTING THE COMMITTEE ON TRADE AND COMMERCE
TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION,
ON THE ASEAN ECONOMIC COMMUNITY INTEGRATION,
TO ASSESS THE RISKS AND OPPORTUNITIES FOR THE FILIPINO WORKFORCE
AND THE DOMESTIC INDUSTRIES,
AND TO INFORM THE PUBLIC OF THESE ACCORDINGLY

WHEREAS, the ASEAN (Association of South East Asian Nations) Vision 2020 seeks to transform ASEAN into a stable, prosperous, and highly competitive region with equitable economic development, and reduced poverty and socio-economic disparities;

WHEREAS, the ASEAN aims to achieve regional economic integration by 2015 through the institution of the ASEAN Economic Community (AEC);

WHEREAS, the AEC will establish ASEAN as a single market and production base to make the region more dynamic and competitive, with new mechanisms and measures to strengthen the implementation of its existing economic initiatives; to accelerate regional integration in the priority sectors; to facilitate movement of business persons, skilled labor and talents; and to strengthen the institutional mechanisms of ASEAN;

WHEREAS, the AEC envisions the following key characteristics: (a) a consolidated regional market and production base, (b) a highly competitive economic region, (c) a region of equitable economic development, and (d) a region fully integrated into the global economy;

WHEREAS, this integration is supposed to be beneficial to the Philippines by promising equitable economic growth while spurring regional competitiveness, creating more industry and job-creating opportunities, removing barriers to free trade, and fostering a more peaceful and cooperative relationship with member countries;

WHEREAS, the Philippines should be well prepared in anticipation of the ASEAN economic integration and must be poised to take advantage of the opportunities that will be brought by such initiative;

WHEREAS, there are questions as to the supposed benefits to the country considering that the Philippines' export trading partners are mostly non-ASEAN countries, namely Japan (18.5%), USA (14.8%), China (12.7%), Hong Kong (7.7%), and South Korea (4.6%), and that the Philippines might be at a disadvantage being geographically separated from the other ASEAN countries in the region;

WHEREAS, in the recent forum organized by the Management Association of the Philippines it had been reported that our financial institutions are not yet ready and need more time to prepare for the proposed integration in 2015;

WHEREAS, there are looming concerns that our domestic businesses, manufacturing industry and labor sector may not yet be ready to compete against other ASEAN countries, as foreign businesses will be able to freely enter the country, which is feared to cause more harm than good in the regional economic integration process;

WHEREAS, the Philippine government should consider the opportunities, risks, and implications of integration on the country's inclusive growth strategy, to ensure that the inclusive growth is not sacrificed in the country's pursuit of global competitiveness;

WHEREAS, there is an urgent need to prepare the Philippines' micro, small, and medium enterprise sector—which comprises 99% of the country's economic backbone—to ensure that small players are not left behind in the integration initiative;

WHEREAS, our people have little awareness regarding the AEC in 2015, much less the actions necessary for the ASEAN integration, and the possible economic scenarios that will arise from such initiative;

WHEREAS, it is the Government's responsibility to inform the Filipinos of the planned ASEAN economic integration and the resultant risks and opportunities that goes along with it, in order to better prepare for what lies ahead for the country's workforce and domestic market.

WHEREFORE, BE IT RESOLVED by the Philippine Senate to direct the Committee on Trade and Commerce to conduct an inquiry, in aid of legislation, on the impending ASEAN Economic Community Integration by 2015, to assess the risks and opportunities that will face the Filipino workforce and our domestic industries, and to inform the public of these accordingly.

Adopted,



SENATOR SONNY ANGARA



SENATOR PAOLO BENIGNO "BAM" AQUINO IV