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RECEIVED BY: 

Introduced by Senator Poe

RESOLUTION

URGING THE SENATE COMMITTEES ON TRADE AND COMMERCE, ECONOMIC AFFAIRS AND FOREIGN RELATIONS TO LOOK INTO APPROACHES AND STRATEGIES ON HOW THE PHILIPPINES CAN MAXIMIZE ITS POTENTIAL WITH REGARD TO THE ASSOCIATION OF SOUTHEAST ASIAN NATIONS (ASEAN) ECONOMIC INTEGRATION IN 2015, TAKING INTO CONSIDERATION RECENT ECONOMIC DEVELOPMENTS AND THE PHILIPPINE BUSINESS SECTOR THAT CAN BE MORE COMPETITIVE WITH THE ECONOMIC BLUEPRINT'S FULL IMPLEMENTATION

Whereas, the 10-member Association of Southeast Asian Nations (ASEAN) groups Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam;

Whereas, all 10-member states already adopted the ASEAN Charter, thus formalizing its legal personality under international law;

Whereas, the Philippines officially adopted the ASEAN Charter when the Philippine Senate ratified it in October 2008, two months before the bloc's summit in Bangkok, Thailand and after the regional bloc's over four decades of existence;

Whereas, the 10-nation trading bloc seeks to become a single market and production base under an ASEAN Economic Community to be established by 2015, where there would be free flow of goods, services, investments and capital;

Whereas, under the ASEAN Economic Community blueprint, the regional bloc seeks to achieve an integrated financial and capital markets by 2015 for a well-integrated and smoothly functioning regional financial system, with more liberalized capital account regimes and inter-linked capital markets, will facilitate greater trade and investment flows in the region;

Whereas, under the blueprint, the original five ASEAN members—Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand—started to scrap 99.65% of traded tariff lines in 2010, while newer members Cambodia, Laos, Myanmar and Vietnam will start to implement tariff cuts in 2015;

Whereas, among the aims of ASEAN which are liberalization of trade and opening up of markets is to accelerate economic growth by capturing the gains from liberal trade through greater competition, more efficient resource allocation, increase in product specialization, increase in the flow of investments and knowledge and more capital accumulation and innovation;

Whereas, the reduction of trade duties and ultimately, the removal of quantitative restrictions would increase the growth of exports and imports, thus a careful and thorough study on the impacts of trade liberalization is needed to ensure that affected sectors of the Philippine economy are properly addressed;

Whereas, the Philippines needs to implement competition reforms to facilitate a level playing field as regards a well-designed regulatory framework with adequately resourced regulatory institutions, well-defined competition legislation and effective enforcement mechanisms for promoting fair competition;

Whereas, according to the World Economic Outlook, the Philippines is expected to grow anywhere between 5% and 8% for 2013;

Whereas, although third quarter Philippine GDP growth was recorded at 7% and the Philippines is often regarded as "Asia's Emerging Tiger," the country continues to lag behind ASEAN neighbors in terms of economic development;

Whereas, amid the government's economic initiatives, political reforms and an improving fiscal situation, it is clear that the Philippines has a good potential to further grow and achieve economic stability;

Whereas, regulatory legislation may be needed before the full implementation of the ASEAN Charter in 2015, to protect the interest of the local industry;

Whereas, concerned government agencies should make an evaluation and brief Congress on how the country is gearing up for the integration of the economies of members of the ASEAN;

NOW, THEREFORE BE IT RESOLVED, as it is hereby resolved by the Philippine Senate, to urge the Senate Trade and Commerce Committee and Foreign Relations Committee to look into how the Philippines can maximize its potential as regards the Association of Southeast Asian Nations (ASEAN) Economic Integration in 2015, taking into consideration recent economic developments and the Philippine business sector that can be more competitive with the economic blueprint's full implementation.

Adopted,


GRACE POE