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## SENATE

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P. S. Res. No. 565

## INTRODUCED BY THE HONORABLE MAR ROXAS

## A RESOLUTION

DIRECTING THE SENATE COMMITTEE ON TRADE AND COMMERCE, AND ON ECONOMIC AFFAIRS, TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE GOVERNMENT NEGOTIATING STANCE ON MULTILATERAL AND BILATERAL TRADE AGREEMENTS

*WHEREAS*, on the 27<sup>th</sup> of July 2006, the World Trade Organization (WTO) General Council supported a recommendation to suspend negotiations on the Doha Development Agenda, as there were no significant changes in the position of negotiators, and gaps remained too wide.

*WHEREAS*, discussions at the WTO-Doha Round soured as there was no agreement on the removal of trade-distorting tariffs and subsidies on agricultural products, with the United States and the European Union urging developing countries to immediately reduce import tariffs on agricultural products, while developing nations are pushing the first world to reduce their massive farm subsidies;

*WHEREAS*, the General Council agreed that while the "time-out" was needed for the member-nations to reflect on their negotiations stances, they plan to put the negotiations back on track as soon as possible;

*WHEREAS*, while WTO talks are at a standstill, bilateral and regional free trade agreements are being prepared and negotiated, with provisions thereof having significant impact on local industries;

*WHEREAS*, this includes the recently-signed Japan-Philippines Economic Partnership Agreement (JPEPA), which liberalized the flow of goods and services between the Philippines and Japan;

*WHEREAS*, JPEPA will cut import tariffs on agricultural and industrial goods by roughly 90% within 10 years, eliminate tariffs on Japan-made cars by 2010, abolish tariffs on at least 60% of the Philippines' steel imports from Japan, and allow the entry of around 200 Filipino nurses to Japan, among other provisions.

*WHEREAS*, in December this year, the Association of Southeast Asian Nations (ASEAN) will discuss the plan to hasten economic integration by five (5) years, thus creating the ASEAN Economic Community patterned after the European Union;

*WHEREAS*, as part of the integration plan, import duties in eleven (11) priority sectors, including agriculture-based products, electronics, information, technology, healthcare, wood-based products, automotives, rubber-based products, textiles and apparel, fisheries, air travel and tourism, will be reduced;

*WHEREAS*, there is an urgent need to assess the competitiveness of Philippine industries in the global market, in light of these developments in efforts to further liberalize the global trade of goods and services;

*WHEREAS*, there is an equally urgent need to review the negotiations stance of the Government of the Republic of the Philippines on multilateral and bilateral trade negotiations, and to check its responsiveness to the needs of both local industries and local consumers alike.

*NOW THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED*, that the Senate direct the Committees on Trade and Commerce, and on Economic Affairs, to conduct an inquiry, in aid of legislation, on the government negotiating stand on multilateral and bilateral trade agreements;

**RESOLVED FURTHER**, that the said Committee conduct an assessment of the competitiveness of Philippine industries and the capability of Philippine trade negotiators to address such, in preparation for the resumption of the WTO Doha Round, negotiations for bilateral and multilateral agreements and the December ASEAN Summit wherein there is a planned hastening of the economic integration;

**RESOLVED FINALLY,** that the said Committee provide for recommendations, including proposed legislation and other measures, in order to improve the competency of agencies to engage in such trade negotiations.

Adopted

Senator