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PHILIPPINES

Statement Circulated by H.E. Mr. Cesar B. Bautista,
Secretary of Trade and Industry

Introduction

1. On behalf of the Philippine Government and my delegation, I wish to express our gratitude to the Chairman, His Excellency Mr. Pascal Couchepin, and to the Swiss Government for the holding of this Ministerial Conference in the international city that is Geneva. Your hospitality - esteemed as it already is - is only rivalled by the beauty of your country.
2. Allow me also to extend our sincerest appreciation to the Director-General, Mr. Ruggiero, and his steadfast colleagues in the Secretariat, for their efficient management of our session, and for their dedication and unselfish effort in assisting us, Members, in the exacting preparatory work leading to this important occasion. I must say that the Decision we took last month that will hopefully lead next year to the establishment of an independent WTO Secretariat was but appropriate.
3. Since we last met in Singapore in December 1996, Philippine trade continued to expand and growth in the overall economy has been very encouraging. Without doubt, we benefit immensely from the multilateral trading system and, under this system, we are determined to sustain our trade-driven growth. But we have also witnessed a swing in the cyclical fortunes of many countries in our part of the world. To a certain extent, the Philippines itself has not been spared the challenges of the financial crisis in Asia.
4. Now is not the time to delve into the "whys" and "hows" of the crisis. We are confident that these are being addressed competently, including on a regional basis, with the end in view of learning not to repeat the miscalculations of the past. For now, it is important to nurture the fledgling recovery through correct and timely reforms and adjustments; and even more importantly, to quickly rebuild confidence precisely through such actions to allow us once again to claim the title of "most dynamic region in the world."
5. Allow me now to share a few thoughts on our main topics at this session, that is, on implementation and the work ahead.

7. In our assessment, the experience thus far yields mixed results and, in the case of some agreements, possibly point to some more fundamental reassessments in the future.

8. The implementation of various agreements, including the successful conclusion of sectoral services negotiations, has proceeded efficiently in the relevant WTO Bodies. Reviews continue of the WTO consistency of national legislations and of measures taken by Members, particularly in the area of rules such, as anti-dumping and countervailing duties and safeguard measures. These serve as an institutional vanguard against the indiscriminate and unjustified use of trade defense measures.

9. The review mandated of the Agreement on Technical Barriers to Trade achieved consensus on forward-looking activities that can only strengthen the open, non-discriminatory WTO system. Other reviews are under way - like those of the Dispute Settlement Understanding and the Sanitary and Phytosanitary Measures (SPS) Agreement - with the end of view of clarifying and, if necessary, improving them, again by consensus. In the case of SPS, it would be essential that the review does not give rise to amendments that will weaken the basic principle that SPS measures should not be used discriminatorily and without scientific basis.

10. In respect of regional trading agreements (RTAs), the Committee on Regional Trade Agreements has done good work, but remains unable to resolve the main issues that affect the operation of Article XXIV of GATT 1994. The resolution of various issues hinges on the resolution, in turn, whether through authoritative interpretation or consensus decision, of the extent to which such arrangements are or should be subject and answerable to the non-discrimination rule of the WTO system. Until such time, I cannot offer an answer to the definitional and legal questions before the Committee. The alternative, however, is to continue monitoring and reviewing the RTAs. I hazard to predict, though, that in the future, we might be reviewing not just RTAs among countries, but broader arrangements among RTAs. Perhaps, by that time, with the proliferation of RTAs, the concept of regionalism would have become redundant, and the more relevant issue would be global free trade, rather than mere trade liberalization.

11. The trade and environment interface is a challenging one because both involve legitimate interests that are inscribed, on one hand, in WTO rules, and in the multilateral environment agreements (MEAs), on the other. It is well known that a central question in the Committee on Trade and Environment remains to be whether or not the MEAs and their trade provisions should be respected and even enforced in the WTO. The underlying issue here is the extent to which the WTO can legally recognize and enforce the objectives of the MEAs. This has to be assessed in light of the state of evolution of public international law, given that under i143.52 525.36 Tm/F17 11lr6ea 223.92 292.08 Tm/F17 1443.52 /F17 11 Tf(the)

underlying spirit of the Agreement, and only intensifies the subsidies war and the havoc it wreaks on our trade. We had sought to put an end to these in the Uruguay Round. Thus, even as we devote significant attention to the next round of agriculture negotia

to carry out as soon as possible the necessary preparations, in consultation with other subsidiary bodies, so that substantive negotiations can commence by end of 1999.

28. In respect of such preparations, the Council for Trade in Services and the Committee on Agriculture must carry on their work through existing activities in the information exchange programme (IEP) in the case of services, and the analysis and information exchange (AIE) in the case of agriculture. In addition, for trade in services, negotiations on

35. As a final point, the Philippines is aware that views have been expressed that it would not be opportune, or even advisable, for Ministers to identify for now the date for the third session of the Ministerial Conference. Indeed, if consensus escapes us on this matter, I believe that the timing of the third session can be left again to the General Council to determine later, just as we did when we concluded our first session in Singapore. In this case, the work programme should be allowed to evolve until such time when a decision on the timing of the third session, and on the agenda of that session, is ripe for the taking.
