Domestic Consultations for RTA / FTA Negotiations
– The Philippine Experience

Submitted by: Philippines
The Philippine Experience

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Domestic Consultations for RTA/FTA Negotiations

Philippine RTA/FTAs

- Japan
- ASEAN
- ASEAN + (China, Korea, India, Korea, Australia-New Zealand)
Trade-Policy Making Process

- Trade policy-making is done by consensus under the Tariff and Related Matters (TRM) Committee; organized by virtue of Executive Order 230 (1987) which reorganized the NEDA Board.
- “Related Matters” - trade and investment agreements and shipping matters
- The Department of Trade (DTI) is the lead agency in international trade negotiations.

TRM Committee

- Three levels: Committee Proper, Technical Committee (TCTRM), Technical Committee Working Groups
- The TCTRM Committee is chaired by the Department of Trade and Industry and co-chaired by National Economic and Development Authority.
- The Committees of the TRM meet regularly. The Committee Proper and the Technical Committee/TCTRM are both supported by a Secretariat composed of members of the Trade, Industry and Utilities Staff of the National Economic Development Authority.
- 14 line agencies; Agencies carry out consultations with their constituencies regarding trade-related issues
### Process (Tariffs)

1. **Agencies’ consultations with stakeholders**
2. **Agencies’ proposals submitted to the TRM**
3. **Discussion of the proposal at TRM working group**
4. **Tariff Commission holds hearings**
5. **Trade Reform Movement (TRM) submits complete supporting documents to the NEDA Board**
6. **Review of recommendation by TRM Cabinet Committee; decisions made, policy guidelines compiled, negotiating mandate given**
7. **Tariff Commission makes recommendations**
8. **Review of recommendation by the TRM Technical committee; elevated to the Cabinet committee**
9. **TRM submits complete supporting documents to the NEDA Board**
10. **Representatives negotiate**


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### Adapting to the Environment

- International trade negotiations have become more complex
- Internationalization of production processes; GVCs
- Numerous issues = more proposals = more resources and expertise → win-win situation
- International trade policy should be well-integrated with the development strategy of the Philippines
Unified Trade Strategy

Advocacy & Communications

One Country, One Voice
One Country, One Network
One Country, One Team

Industry Competitiveness

One Country One Team (OCOT)

- Strong support system from the inter-agency committee (TRM)

- Credible responses to stakeholders crafted with the support of the line agencies.
Memorandum of Agreement between the Department of Trade and Industry and the Philippine Institute of Development Studies (PIDS) to tap its existing research network to provide necessary research.

PIDS’ basic programs:
- Research Program;
- Outreach Program; and
- Dissemination and Research Utilization Program

One Country One Network (OCON)
- Launched in 04 May 2011 to establish an efficient and effective consultative mechanism for enhancing and sustaining public engagement in trade policy formulation.
- National, regional and sectoral consultation sessions
- Objectives:
  - Institutionalize an effective and efficient consultative mechanism;
  - Promote mutual trust, understanding and cooperation;
  - Reinforce public awareness and increase understanding on the importance of trade;
  - Balance the interests of the stakeholders with specific emphasis on transparency and accountability;
  - Arrive at sound, rational and balanced policies that are supported by most, if not all, stakeholders.

One Country One Voice (OCOV)
Key components of consultation sessions:
- Substantive – information on trade and investment relations of the Philippines with trading partners; issues (goods, services, labor mobility, customs procedures, environment, development and cross-cutting issues)
- Open Forum; Break-out sessions/workshops per sector

Methodology
- Identify stakeholders through the inter-agency mechanism (TRM), civil society and business partners
- Establish Guiding Principles in the conduct of consultations
- Solicit inputs through a form (position paper); create a website

OCOV target participants from the following networks across the country:
Academe, Government (legislative and executive branches), Civil Society, Business Sector, Consumers

General and plenary consultations are important
- increase awareness on the Philippines’ trade engagements from various stakeholders;
- solicit feedback on the negotiation process; and
- allow stakeholders to have an entire picture of the negotiations.
Desired Outcome

1. A consolidation and understanding of the issues and concerns of stakeholders;
2. Support from the stakeholders in all of the trade engagements that the Philippines will forge or review with its key markets through sustained dialogue.

Thank you!

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