

**STATEMENT OF THE HON. GREGORY DOMINGO  
SECRETARY OF TRADE AND INDUSTRY  
REPUBLIC OF THE PHILIPPINES  
10TH WTO MINISTERIAL CONFERENCE  
PLENARY SESSION  
16 DECEMBER 2015**

MADAM CHAIRPERSON AMB. MOHAMED,  
DIRECTOR-GENERAL AZEVEDO, FELLOW  
MINISTERS, DELEGATES AND FRIENDS:

GOOD MORNING.

THE PHILIPPINES CONGRATULATES KENYA FOR  
ITS WARM HOSPITALITY AND EXCELLENT  
HOSTING OF THE 10TH WTO MINISTERIAL  
CONFERENCE.

I ALSO THANK THE MEMBERSHIP FOR THE  
OPPORTUNITY TO SERVE AS VICE-CHAIR OF  
THIS MOMENTOUS GATHERING.

OUR FIRST-EVER MEETING IN AFRICA SIGNIFIES THE RISING ROLE OF THE CONTINENT IN INTERNATIONAL TRADE.

ALTHOUGH NINE THOUSAND KILOMETERS AWAY, THE PHILIPPINES IS, LIKE KENYA, ONE OF THE FASTEST GROWING ECONOMIES. WE ARE BOTH BLESSED WITH SKILLED AND ENGLISH-SPEAKING WORKFORCES. WE ARE ALSO BOTH 'OPEN FOR BUSINESS', PROVIDING CONDUCIVE ENVIRONMENTS FOR PRODUCTION AND TRADE.

BEYOND OUR ACHIEVEMENTS, KENYA AND THE PHILIPPINES ALSO SHARE, WITH THE REST OF THE WTO MEMBERSHIP, A STRONG DESIRE TO ADDRESS THE SIGNIFICANT CHALLENGE OF PROVIDING OPPORTUNITIES FOR ALL. THUS, MANY OF US HAVE CHAMPIONED INCLUSIVE ECONOMIC GROWTH THROUGH, AMONG OTHERS, FAIR AND OPEN TRADE. INDEED,

GROWTH CANNOT BE INCLUSIVE IF IT DOES NOT HAVE A TRANSFORMATIVE IMPACT ON THE POOR AND MARGINALIZED, MOST OF WHOM LIVE IN DEVELOPING ECONOMIES.

TODAY, I WANT TO SHARE WITH YOU A STORY OF FILIPINOS CONSIDERED VULNERABLE, AND HOW THE WTO CAN FURTHER HELP THEM OVERCOME THEIR OBSTACLES.

THE STORY IS THAT OF PEDRO, ONE OF MILLIONS OF SMALLHOLDING FARMERS IN THE PHILIPPINES. PEDRO'S FAMILY DEPENDS FOR SURVIVAL ON THIS SEASON'S HARVEST. ITS PROCEEDS WILL BE USED FOR HIS FAMILY'S FOOD, CLOTHING, AND NEXT SEASON'S SEEDS AND FERTILIZER.

THE GOVERNMENT HAS SIGNIFICANTLY PROVIDED FOR INFRASTRUCTURE, IRRIGATION, AND TRADING CENTERS FOR OUR

SMALLHOLDERS. HOWEVER, PEDRO AND MILLIONS OF FILIPINO FARMERS ARE AT THE MERCY OF COUNTLESS TYPHOONS, DROUGHTS, AND INTERNATIONAL FOOD CRISES THAT THREATEN THEIR LIVELIHOOD.

MOEOVER, THE PHILIPPINE AGRICULTURAL SECTOR IS ONE OF THE MOST OPEN AND LIBERALISED IN THE WORLD.

OUR AVERAGE TARIFF OF 35% IS ONLY A LITTLE BIT OVER HALF OF THE AVERAGE TARIFF OF ALL DEVELOPING COUNTRIES AT 60%. WE ONLY HAVE DE MINIMIS DOMESTIC SUPPORT AND WE DO NOT ENJOY ANY EXPORT SUBSIDY ENTITLEMENT.

ON THE OTHER HAND, DEVELOPED MEMBERS HAVE EXPANSIVE FLEXIBILITIES IN THE AGREEMENT IN AGRICULTURE WHICH MAKE THEIR FARMERS AND EXPORTERS HIGHLY AND

ARTIFICIALLY COMPETITIVE. THESE FLEXIBILITIES INCLUDE, AMONGST OTHERS, HUGE AND HIGH CEILINGS IN TRADE-DISTORTING SUBSIDIES IN BOTH PRODUCTION AND EXPORTS.

SMALL FARMERS NEED SPECIAL SAFEGUARDS AGAINST THE INFLUX OF IMPORTED AGRICULTURAL PRODUCTS MADE ARTIFICIALLY COMPETITIVE BY TRADE-DISTORTING SUBSIDIES. THEY ALSO NEED THE PROVISION OF PUBLIC STOCKHOLDING THAT ENSURES FOOD SECURITY IN TIMES OF NEED.

IN THIS REGARD, THE WTO CAN DO MORE HERE IN NAIROBI TO CORRECT OR SAFEGUARD AGAINST EXISTING DISTORTIONS, AND PROVIDE THESE NECESSARY FLEXIBILITIES FOR FARMERS AND CONSUMERS IN THE PHILIPPINES AND OTHER DEVELOPING COUNTRIES.

TO ADDRESS THESE INEQUITIES AND IMBALANCES THE PHILIPPINES PUTS EMPHASIS ON THE IMPORTANCE OF PROTECTING THE SMALL AND RESOURCE-POOR PRODUCERS FROM MARKET VOLATILITIES THROUGH THE SPECIAL SAFEGUARD MECHANISM (SSM) AND PUBLIC STOCKHOLDING FOR FOOD SECURITY PURPOSES IN THE PHILIPPINES' OWN FOOD SECURITY, LIVELIHOOD SECURITY AND RURAL DEVELOPMENT STRATEGY.

AN EFFECTIVE AND ACCESSIBLE SSM AND A RESPONSIVE PERMANENT SOLUTION ON PUBLIC STOCKHOLDING FOR FOOD SECURITY PURPOSES ARE ESSENTIAL TO A MEANINGFUL, BALANCED AND DEVELOPMENT-ORIENTED OUTCOME AT MC10 IN NAIROBI.

AT PRESENT, FREE TRADE RULES FAVOR BIG BUSINESS, NOT NECESSARILY BY DESIGN BUT VERY LIKELY BY DEFAULT, BECAUSE WE

PROBABLY UNDERSTOOD THEIR NEEDS BETTER. SO TODAY, WE HAVE A FREE TRADE REGIME THAT MAKES IT DIFFICULT FOR SMALL BUSINESS TO PARTICIPATE IN CROSS BORDER TRADE BECAUSE OUR RULES ARE CUMBERSOME AND DIFFICULT FOR THEY WERE CRAFTED FOR BIG TRADE FLOWS FROM BIG BUSINESS.

MICRO AND SMALL ENTERPRISES (MSES), WHICH DO NOT HAVE ACCOUNTANTS, BANKERS OR LAWYERS TO HELP THEM NAVIGATE THRU THE MAZE OF TRADE RULES, ARE THE MOST AFFECTED. MSES ARE EFFECTIVELY DENIED THE BENEFITS OF MARKET ACCESS. THIS IS UNFORTUNATE FOR THEY ACCOUNT FOR AN OVERWHELMING MAJORITY OF BUSINESSES. IN THE PHILIPPINES' CASE, MSES ACCOUNT FOR 99% OF ALL BUSINESSES.

THIS IS UNFORTUNATE AS WELL FOR THE WTO BECAUSE WE HAVE FALLEN SHORT IN FULFILLING OUR MOST BASIC MANDATE WHICH IS TO PROVIDE OPPORTUNITY FOR ALL.

UNFORTUNATELY, THE MSE ISSUE HAS NOT YET MADE IT TO THIS MINISTERIAL'S AGENDA BUT I THANK THE CHAIR FOR MENTIONING IT YESTERDAY IN HER OPENING REMARKS.

WHILE WE CONTINUE OUR INTENSIVE WORK HERE IN NAIROBI AND AFTER NAIROBI IN ORDER TO CONCLUDE THE REMAINING ELEMENTS OF THE DOHA ROUND IT IS MY HOPE AND EXPECTATION THAT MSES WILL BECOME A MAJOR TOPIC OF CONCERN IN FUTURE MEETINGS.

FOR IT IS UP TO US –THE PEOPLE IN THIS ROOM - TO CHART A PATH THAT TRULY PROVIDES FOR INCLUSIVE TRADE AND ECONOMIC GROWTH.



A PATH THAT IS ALIGNED WITH THE GOALS OF  
THE 2030 AGENDA FOR SUSTAINABLE  
DEVELOPMENT.

THANK YOU.