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**Committee on Agriculture  
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### STATEMENTS BY THE PHILIPPINES

DELIVERED BY THE TRADE AND INDUSTRY UNDERSECRETARY, MR. CEFERINO RODOLFO,  
AT THE INFORMAL MINISTERIAL MEETING, MARRAKECH, MOROCCO

*9-10 October 2017*

The following communication, dated 13 October 2017, is being circulated at the request of the Delegation of the Philippines.

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The Delegation of the Philippines is pleased to provide WTO Members with its statements delivered during the informal ministerial meeting in Marrakech, 9-10 October 2017, with a view to fully inform Members of the Philippines' priorities and the needed balance in a package of outcomes Members envisage for the 11<sup>th</sup> WTO Ministerial Conference in Buenos Aires in December 2017.

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**ANNEX**

- DAY 1 -

*9 October 2017***WHAT CAN BE REALISTICALLY ACHIEVED AT MC11?**

1. On behalf of Secretary Ramon Lopez, the Philippines would like to express our appreciation to the Kingdom of Morocco and the MC11 Chair for organizing this informal meeting. Thank you very much as well to Director-General Azevêdo for summarizing where we stand.
2. For MC11, the Philippines' priorities are to secure, first, a Special Safeguard Mechanism (SSM) for agriculture and, second, outcomes that will lead to greater participation in international trade for Micro, Small and Medium-sized Enterprises (MSMEs).
3. Let me expound first on MSMEs.
4. The Philippines places great importance on the role of MSMEs in promoting inclusive growth. We need to have a discussion to ensure that, even among MSMEs, competition needs to be fair and discussing comparable definition of enterprise size can facilitate this.
5. Now, even among similarly sized MSMEs support system and resources vary from country to country. And, hence, due consideration should be given to the development level of countries.
6. However, the challenge of including MSMEs in trade is not only important – it is also urgent. As the MC11 Chair said, we cannot stand still. We need to constantly move forward – even if one-step at a time.
7. Hence, it is critical for us to be pragmatic, or in the words of Vice Minister Wang, practical and reasonable. The Philippines, together with the Friends of MSMEs, is seeking appropriate arrangements within the existing framework of the WTO and relevant committees such as the establishment of a Working Group under the General Council that will be mandated to consider how the multilateral trading system can impact and benefit MSMEs, with particular consideration given to the needs and interests of developing and least-developed countries.
8. Let me now focus on our first priority. In Agriculture, there are two kinds of priorities: first, those covered by specific ministerial decisions in Nairobi, i.e. Public Stockholding (PSH), Special Safeguard Mechanism (SSM), and Cotton; and second, those without clear specific mandates but which Members would like to harvest in MC11 such as Domestic Support and Export Restrictions. Despite these long lists of priorities, however, it is indeed a sobering state that less than two months to go MC11, Members have yet to identify any single area that is a clear candidate for harvest in Buenos Aires.
9. Let me underscore that the Philippines' priority in MC11 is SSM. Developing countries, including the Philippines, have been denied access to SSM since the July Framework Mandate in 2004, thus, it is high time that a concrete and operational decision on SSM is issued at MC11. The Philippines would be put in a very difficult position agreeing to any package of Agriculture outcomes in MC11 without SSM included thereto; thus, meaningful engagement on SSM must be demonstrated in good faith if we are all to succeed.
10. The Philippines also fully associates itself with the statement on SSM and PSH to be delivered by Indonesia on behalf of the G33.
11. In summary, and in response to DG Azevêdo's plea for interventions to be very clear, the Philippines' priorities for MC11 are: 1) Special Safeguards Mechanism for Agriculture; and 2) a ministerial decision on an MSME work programme where eventually contentious issues can be discussed including comparable definition and consideration for development levels.

12. The Philippines is willing to work with everyone towards a balanced outcome in MC11; an outcome that truly promotes inclusive growth through trade.
13. Thank you Mr. Chair.

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- DAY 2 -

*10 October 2017*

#### **WHAT ARE THE POSSIBILITIES FOR A COMPROMISE?**

1. Thank you, Mr. Chair and thank you DG Azevêdo for sharing your personal assessment of where we stand on issues and what we need to do in order to move forward.
2. On MSMEs, recalling the Preamble to the Marrakesh Agreement and to make trade truly inclusive, at the very least, Members need to sustain discussion on how to enhance the participation of MSMEs in the international market and how to ensure that competition among the MSMEs remains fair by also having a conversation on comparable definition of enterprise size by establishing a Working Group under the General Council that will consider how the multilateral trading system can impact and benefit MSMEs, with particular consideration to the needs and interests of developing and least-developed countries.
3. On Agriculture, the Philippines sees an opportunity to make MC11 a success in Agriculture by harvesting a balanced package of outcomes. And the Philippines firmly believes that the right balance can only be achieved through trade-offs among key priority issues of most Members, i.e. Public Stockholding (PSH), Domestic Support (DS) and Special Safeguard Mechanism (SSM). The Philippines underscores that Domestic Support can only be realistically realized and harvested if a solution on SSM is found.
4. Denying developing countries once more the access to SSM is not only unacceptable, this is also a remiss of our mandates that all our Ministers already decided a long time ago under the July Framework, Hong Kong Declaration, and Nairobi Decision. Thus, inaction for SSM cannot be and is not an option if we are to succeed in MC11.
5. The Philippines is nevertheless open to a solution on SSM through a special dispensation under the subsisting Special Agricultural Safeguards (SSG). We agree with DG Azevêdo that SSM is a highly technical issue; that is why we will be devoting great efforts to engage in Geneva prior to Buenos Aires. In determining what to focus on, in addition to the feasibility of issues, let us also meaningfully discuss and engage on this because this is the right thing to do. Inaction for SSM cannot be, and is not, an option if we are to succeed in MC11.
6. Mr. Chair, we must also find a pragmatic and credible way to maintain the Doha Development Agenda. Incremental steps may be considered but clearly without abandoning the work that has been achieved so far.
7. Mr. Chair, Ministers, the Philippines appreciates the chance to participate in this meeting. Your interventions are very useful as it has allowed us to think through all the elements of MC11. Let us make best use of limited time from here on – we have less than ten weeks to Buenos Aires.
8. In this context, the Philippines is open to having a conversation on most of the new issues being proposed; in some of them the Philippines is a leading advocate domestically and in other international fora, for instance in APEC and ASEAN. But my delegation cannot return to our capital and exhort our officials and people to support preparations for a World Trade Organization Ministerial Conference where new issues will be discussed but core issues relevant to agricultural trade such as SSM may be left behind. Reaching the needed balance for success requires exhaustion of all efforts on all priorities of Members for a MC11 decision, especially that there is no clear deliverable yet at this juncture. Thus, putting a deadline for

issues that should land for decisions in MC11 is not only dangerous; this could also negate possibilities for success in MC11.

9. Let us discuss issues for Buenos Aires or beyond, not only because they are feasible, but also because we have the moral obligation to do in the WTO.
  10. Thank you, Mr. Chair. And on behalf of Secretary Ramon Lopez, our sincerest gratitude to the Kingdom of Morocco for the receiving our delegation.
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