



Management  
Association of the  
Philippines

*The Philippines' Leading Management Association*

Press Statement

25 June 2010

## **STATEMENT OF SUPPORT FOR THE IMMEDIATE COMPLIANCE OF PHILIPPINE COMMITMENTS TO THE REVISED KYOTO CONVENTION**

Today, the Philippines formally becomes the 70th contracting party to the International Convention on the Simplification and Harmonization of Customs Procedures, also known as the Revised Kyoto Convention (RKC), as the Philippine delegation to the Annual World Customs Organization Council Session in Brussels, Belgium, is scheduled to transmit the country's Instrument of Accession to the RKC, as ratified by President Arroyo on 16 March 2009 and concurred accordingly by the Senate through Resolution No. 220 on 1 February 2010.

We would like to congratulate the Philippine Government and our colleagues in the private sector for their efforts to bring this landmark legislation to reality.

We strongly believe that this will eventually help us improve our competitiveness. For the longest time, our competitiveness image in international business has been burdened by low rankings in the ease of doing business. But more than improving our image in the international business community, RKC accession, compliance, and implementation will translate into more investments, more jobs for Filipinos, and more revenues to the government to support social infrastructures, as well as deliver a strong platform to achieve a credible and clean government bureaucracy, which is the common desire and battle cry of every Filipino, especially for the incoming Aquino administration.

We note that our ASEAN neighbors Malaysia and Singapore, as well as our major trading partners, have already acceded to the convention. A look at the 59 contracting parties in 2008 reveals that about 83.5% of the country's total exports, 60.5% of imports, and 71.2% of total RP trade go to these countries. Research also shows that among these committed parties, 51 posted a significant increase (an average of 8%) in the average ratio of trade to GDP after accession. It is therefore evident that the country's accession to the RKC, if properly implemented, will be a powerful tool for promoting Philippine business. As we take serious steps in fulfilling our commitments, we further strengthen our relationship with our trading partners and prospect ones.

We reiterate our strong support for the RKC. We have reached our first milestone, that is to complete the long and challenging process of our country's accession. But there is still a lot of work to be done. We now bring the valuable lessons of the past: there have been a lot of ambitious policies, yet some failed because of the lack of political will in their implementation. The key to reaping the fruits of this convention lies in providing the necessary environment and direction so that RKC compliance and implementation will sail smoothly.

We therefore unite with the call of the Export Development Council, the National Competitiveness Council, and their member government agencies and private organizations for a continued and strengthened partnership. If we seriously want to participate in international trade, whether there is crisis or not, we must adjust to the demands of the trading world.

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