

# MBC FORUM

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## A PRINCIPLED AND INDEPENDENT PHILIPPINE FOREIGN POLICY

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Secretary, Department of Foreign Affairs

LET ME CONGRATULATE ALL THE ENTITIES hosting me today for consistently being at the forefront of promoting management excellence and institutional integrity. The professional discipline that we had acquired from the private sector is precisely what I brought with me during my years at the DFA.

It has been three days since I retired from Foreign Service, and it has been a matter of great privilege and profound satisfaction to have served our country and the Filipino people under the leadership of His Excellency President Benigno S. Aquino III, who also is the chief architect of our foreign policy. My role was only to implement policy.

Since 2011, I had embarked on 151 Official Missions for the purpose of negotiating and asserting the rightful place of the Philippines in the international community of nations. Since 2012 until January 2016, the DFA also arranged and participated in the visits of over 60 Heads of States and Governments, Members of Royal Families, and other Dignitaries.

It has been 16 months since I had the pleasure of your distinguished company during the Awarding Ceremony for the Management Man of the Year 2014, for which I am truly grateful and consider not only as an invaluable honor but also as a resounding vote of confidence in the Department of Foreign Affairs.



MBC IMAGES/ R. DELROSARIO

*The Makati Business Club, along with the American Chamber of Commerce, Bankers Association of the Philippines, Chamber of Mines, Financial Executives Institute of the Philippines, Management Association of the Philippines, and the Philippine Chamber of Commerce and Industry held a special testimonial luncheon on behalf of Sec. Del Rosario on 11 March 2016 at the Fairmont Hotel in Makati City. Published here are excerpts from his keynote speech.*

This year is crucial not only because of the Philippines' leadership transition in June but also in view of the country's successful hosting of the APEC Economic Leaders' Summit in November and the establishment of an ASEAN Community last month. With these positive developments, the Philippines faces great expectations on its bright prospects and potential.

[I have been] asked to deliver some brief updates and perspectives on a few key issues of interest. Please know that the late and most renowned Carlos P. Romulo had once said that there is nothing more useless than a one-day old newspaper. That view can be said to apply as well to the remarks of a just-retired Secretary of Foreign Affairs.

#### THE DFA TRANSFORMATION PROGRAM

Since 2011, I had embarked on and implemented a carefully thought-out 10-point DFA transformation program, intended to develop the DFA into an organization that is smarter, leaner, and more proactive by means of the following:

- (1) Restoring morale by further strengthening the career service corps (we now have the fewest political appointees as ambassadors in the history of the DFA);
- (2) Upgrading economic diplomacy skills through a partnership with Asian Institute of Management (senior people

in post, previously intended to be front-liners, were not properly trained);

(3) Placing merit over seniority in the career advancement process (we insisted DFA must be performance-driven);

(4) Rationalizing Philippine presence overseas, and reallocating resources where these are most needed (months after assuming office, we closed 10 out of 94 posts and we reallocated resources for greater efficiency);

(5) Bringing cost-effective consular services closer to the people by moving DFA offices to malls such as Ayala, Gaisano, Robinsons, SM, and Ali Mall (which has received wide acceptance from the public);

(6) Developing effective strategies to negotiate and assert the rightful position of the Philippines in the community of nations (our positions are comprehensive, calibrated, and are constantly being updated);

(7) Awaiting the President's approval of a new scheme for the Non-Resident Ambassadors (NRAs) to cover Africa and Central America (e.g. Africa, which is comprised of 54 States, where DFA coverage is limited to only five embassies);

(8) Strongly encouraging all foreign service personnel to reach beyond their grasp, at all times, to promote the national interest (DFA continues to motivate its people to do more and to think out of the box);

(9) Emphasizing the management approach of leadership by example; and

(10) Endeavoring to ensure that our people are well-provided for (e.g. continuing to update compensation and allowances, making provisions for a balanced foreign posting system, and encouraging professional development, including the pursuit of higher studies).

#### PHILIPPINES-US RELATIONS AND THE ENHANCED DEFENSE COOPERATION AGREEMENT (EDCA)

Our partnership with the United States is at its most robust, given our shared history, values, and aspirations. Our economic partnership remains on an upward trajectory, and our people-to-people links continue to foster mutual understanding.

As our only treaty ally, the US is our biggest source of official development assistance (ODA) grants, our third-largest trading partner, one of our leading foreign investors, and one of the leading providers of tourist arrivals. When President Obama met with President Aquino on the sidelines of the APEC Economic Leaders Summit last November, he reiterated the United States' ironclad commitment to the defense of the Philippines.

The Supreme Court affirmed the constitutionality of the EDCA, a critical component of our efforts to enhance and strengthen national security, and improve our humanitarian assistance and disaster relief.

The Philippines and the US will be closely coordinating on the implementation of EDCA, a mutually-beneficial agreement that will

enhance the US' ability to not only provide rapid humanitarian assistance, but also to help build capacity for the modernization of the Armed Forces of the Philippines.

#### PHILIPPINES-CHINA RELATIONS AND THE SOUTH CHINA SEA ARBITRATION CASE

Philippines-China relations celebrated its 40th Anniversary last year. Given this milestone, the Philippines fully recognizes China's role in world affairs and supports its peaceful development; acknowledging that China's emergence as an economic power has been of great benefit for Asia-Pacific and the world.

Our bilateral economic relations remain strong. Bilateral trade continues to grow, reaching \$18.34 billion in 2014. In 2013, 426,352 Chinese tourists arrived in the Philippines, while there were almost 1 million Filipino tourists in China. Over the years, there were greater Philippine direct investments in China as compared to Chinese investments in the Philippines.

We have consistently maintained that the South China Sea issue is not the sum total of our relations with China. For China to be truly viewed as a positive force and a responsible regional power, it is of great importance for China to manifest adherence to and respect for the rule of law.

The Philippines has reposed its faith in the rule of law, especially, the United Nations Convention on the Law of the Sea and other applicable principles of international law. Having presented our positions and evidence before the Arbitral Tribunal, we now await the Tribunal's decision on the merits of the case. To this decision, we shall accordingly abide.

Recent developments on the ground, as a result of Chinese unilateral conduct of test flights, island-building activities and constructions, challenges on freedom of navigation over flight operations, on-going militarization, and the still-continuing prevention of Filipino fishermen from plying their trade at the Scarborough Shoal have

heightened tensions, highlighting the urgency of an early promulgation of the decision.

The Philippines maintains that the decision of the Tribunal will be legally-binding and should be accorded due respect by everyone. We are enjoining other nations to help us to convince China to respect the rule of law.

#### ECONOMIC AND CULTURAL DIPLOMACY

The DFA, through our 84 Posts, has taken a revitalized role as promoters of Philippine trade, investments, tourism, and ODA. With the DFA Strategic Plan for economic and cultural diplomacy, we have presumed a One-Country Team approach and our Posts have been guided by the following goals for economic diplomacy:

- (1) Strengthening of DFA structures and capacities in relation to economic activity
- (2) Contributing to job generation
- (3) Assisting in poverty reduction

Since 2011, we have signed 205 economic agreements including labor, trade, education, and air services. From 2011 to 2014, the DFA played an active role in securing a total of \$4.33 billion in ODA through various bilateral consultation mechanisms and economic diplomacy initiatives.

In strengthening people-to-people links, agreements were forged with countries and cultural entities to promote joint activities and enhance cultural cooperation. Since 2011, twelve Cultural Agreements were signed. The DFA had maintained a continuing partnership with the National Commission for Culture and the Arts.

#### POLITICAL AND DEFENSE COOPERATION

We had designed partnerships to manage new realities on defense cooperation. In lieu of traditional ideas of balance of power, we had emphasized engagement in new

challenges, including transnational crime, terrorism, and maritime security and cooperation, as well as cooperation on humanitarian emergencies.

In addition to our treaty alliance with the United States, we expanded our defense and security engagements with other allies. In 2015, we witnessed the deepening and broadening of the Philippines' bilateral relations with Japan, Australia and Vietnam. As Strategic Partners, we signed several agreements with Japan on the sidelines of the 2015 APEC Economic Leaders' Summit.

A Joint Declaration on Philippines-Australia Comprehensive Partnership [was signed], covering all aspects of our bilateral relations. Completing the troika of alliance in the region is the signing of the Joint Statement on the Establishment of a Philippines-Vietnam Strategic Partnership, outlining comprehensive areas of cooperation.

From 2011 to 2015, we successfully facilitated the conclusion of 64 agreements on political and defense-security matters.

#### APEC AND THE ASEAN COMMUNITY

Under the Philippine APEC Chairmanship in 2015, a total of 229 meetings were convened, including high-level policy dialogues and the APEC Business Advisory Council. APEC 2015 advocated for: (1) Enhancing the Regional Economic Integration Agenda; (2) Fostering MSMEs' Participation in Regional and Global Markets; (3) Investing in Human Capital Development; and (4) Building Sustainable and Resilient Communities.

APEC is more than about trade; we also prioritize concerns that affect an individual's economic well-being, such as health, access to quality education, 21st century skills training, employment, and preparedness for and resilience to disasters.

Aside from policies and programs the Philippines introduced in APEC, we are proud of the fruits of the APEC hosting itself. We forecasted revenue of P1.5 billion, particularly for the hotel and retail industries, as well as an

#### ABOUT THE SPEAKER

### ALBERT F. DEL ROSARIO

After obtaining his economics degree from New York University, Mr. Del Rosario began an illustrious career in insurance, banking, real estate, shipping, telecommunications, and consumer products, among others, and held multiple leadership positions in top Philippine corporations. He was drafted into diplomatic service in 2001 as ambassador to the United States, and was instrumental in further cementing Philippine-US relations in trade, development, and defense. He was appointed by President Benigno Aquino III as the secretary of foreign affairs in February 2011, and ended his stint as the country's top diplomat in March 2016. ■

increase in job creation and tourist arrivals. We also considered our hosting a boost in our international exposure and media mileage.

In December 2015, the ASEAN Community was established as signed by the ASEAN Leaders. ASEAN offers real opportunities in the form of a huge market of \$2.6 trillion and over 622 million people. In 2014, the ASEAN Community was collectively the third-largest economy in Asia and seventh-largest in the world.

For Filipino consumers, the ASEAN Community will provide a wider variety of goods and services, at lower, cheaper prices. For exporters, it will mean a larger market for our products and services. For workers, integration will bring in more investments and will thus provide more employment opportunities and technology transfer.

The establishment of the ASEAN Community is the most recent milestone in the evolution of ASEAN as the most important regional organization in Asia. [Moreover] the Philippines has started preparations for the ASEAN Chairmanship and the 50th Anniversary of ASEAN in 2017.

**DFA'S CONSULAR SERVICES AND IMPROVED ASSISTANCE TO NATIONALS**

Since the onset of the Arab Spring, the DFA has had a major preoccupation. Assistance to nationals remains a top priority for the Philippines. The DFA takes care of almost 8 million overseas Filipinos on a 24/7 basis, in 174 countries, over 40 time zones.

Consequently, DFA has maintained its reputation as the "Department that never sleeps."

All Embassies and Consulates are tasked with the mandate of protecting the rights and promoting the welfare of our nationals abroad, regardless of location or circumstance. Since 2011, starting with Libya, the DFA has repatriated over 24,000 Filipinos in countries torn by civil strife or devastated by natural and other disasters.

From 2012 to 2015, DFA extended assistance to over 80,000 overseas

Filipinos and members of their families. Our Foreign Service personnel provide round-the-clock legal consular assistance, counseling, shelter, and labor mediation. We undertake jail visitations, administer overseas absentee registration and voting, and help Filipinos organize themselves into communities.

Beginning with the Office of Consular Affairs, DFA is working towards an ISO 9001:2008 certification to realize the Department's goal of being at par with existing international standards. The DFA's Visa Division is presently reviewing visa privileges under Executive Order 408, presently allowing citizens of at least 150 countries a 30-day visa-free entry to the Philippines for tourism.

In an effort to bring DFA's consular services closer to the people, 14 of the 19 Regional Consular Offices were already mall-based as of 2015. DFA is working closely with other partners in government in further enhancement of our ePassport system.

**UNDER THE AQUINO ADMINISTRATION**

What is cast in stone are our Foreign Policy Pillars which call for: (1) preservation and enhancement of national security; (2) promotion of economic security; and (3) protection of the rights and promotion of the welfare of our overseas Filipinos. The manner in which [the Pillars] should be pursued must be governed by relevance, effectiveness, and the values of our people. Philippine foreign policy must be pursued in a manner that is independent, principled and based on the rule of law.

Every Department or Agency of the Philippine Government has concerns about its effectiveness. It is our hope that the recent December SWS survey on the Aquino administration's performance will demonstrate the Filipinos' approval of the DFA's strategies.

Out of 14 issues most important to Filipino people, four have merited the highest rating:

- (1) Helping the poor
- (2) Foreign relations
- (3) Promoting the welfare of



**OFWs  
(4) Defending the country's territorial rights**

We are pleased with these results as three out of four issues are directly under the purview of the DFA, which are "Foreign Relations," "Promoting the welfare of OFWs," and "Defending the country's territorial rights." On "Helping the poor," DFA's efforts have directly and indirectly contributed by increasing ODAs to the Philippines to record-levels.

In the Makati Business Club's performance survey on government agencies, DFA's ranking has improved from 11th spot in 2012, to #4 in 2015.

The DFA is most pleased with both survey results and we thank the Filipino people for their recognition. It is our hope the next administration will consider the same forward-looking strategy to fully realize the Philippines' bright prospects and potential.

I am deeply saddened by having to step down prematurely from the Cabinet. Including my posting as Ambassador to Washington, it has been a total of ten years that I have faithfully served our country.

At the DFA, we did our best and we gave our all. It has been truly an honor and a privilege. ■

Excerpts edited by **VICTORIA Y. SIBAL**  
Programs Officer



From L-R: MAP President Perry Pe, Chamber of Mines President Philip Romualdez, PCCI President George Barcelon, MBC Chairman Ramon del Rosario, Foreign Affairs Secretary Albert del Rosario, FINEX President George Chua, American Chamber of the Philippines President Rick Santos, BAP Managing Director Cesar Virtusio, MBC Co-Vice Chairman Jaime Augusto Zobel de Ayala

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