

The Philippines's Bogor Goals Progress Report (as at 13 August 2012)*

Highlights of Achievements and Areas for Improvement

- Recent reforms in the financial sector. The foreign exchange regulatory framework was liberalized, simplified and clarified. Some restrictions on bank branching were removed.
- Regulatory reforms are ongoing in the transportation sector.
- Concerns on the use of incentives contingent on export performance and Filipino ownership to attract investment.
- High-level of standards aligned with international standards (78.59 percent of the Philippines' domestic standards).
- Need to improve transparency in terms of sanitary and phytosanitary measures and technical regulations.
- The Philippines acceded to the Revised Kyoto Convention. Efforts to streamline customs procedures.
- New measures concerning government procurement are enhancing transparency, competition and efficiency in this area.

Summary of Updates

Tariffs

The Philippines completed recently a comprehensive tariff review to implement a tariff structure for 2012-2015. The tariff structure includes an overall average applied tariff at 6.3 percent; 60 percent of the applied MFN tariff around 0 and 5 percent; and applied tariffs reduced to 0 percent for certain items such as wheat, cement, crude oil, petroleum products, asphalt, iron, steel products and books.

The Philippines also continued reducing tariffs applied to FTA partners as agreed in the FTA's tariff liberalization schedules.

Non-Tariff Measures

The automation of procedures on the application for the Minimum Access Volume (MAV) License and the MAV Import Certificate is starting in 2012.

Services

Reforms in the financial sector were implemented in 2011. The current foreign exchange regulatory framework enhances and facilitates access to foreign exchange resources of the banking system for legitimate transactions and induces a shift of foreign exchange transactions from the parallel to the formal market. Moreover, restrictions on bank branching for domestic universal and commercial banks, as well as for thrift banks, were lifted in eight areas in Metro Manila in July 2011.

* This brief report was prepared with information from the Philippines' submission of 2012 APEC Individual Action Plan (IAP) template and the minutes of the meeting of the Philippines' WTO Trade Policy Review from April 2012.

In energy services, the Philippines awarded contracts for projects on renewable energy: 52 wind energy service contracts, seven solar energy service contracts and two certificates of registration for own use.

Investment

In terms of investment facilitation, the Philippines introduced the Client Feedback Form to gauge the effectiveness of the Strategic Investor Aftercare Program. Furthermore, the One-Stop Action Center has been reorganized in two divisions: Investment Counseling Division and Investments Research and Data Warehousing Division to further enhance the services provided to investors.

There are some concerns related to the use of incentives contingent to export performance and Filipino ownership in an effort to attract investments.

Standards and Conformance

At present, 78.59 percent of the Philippines' domestic standards are aligned with relevant international standards. Between July 2010 and December 2011, the Philippines adopted 168 International Electrotechnical Commission (IEC) standards related to low voltage equipment and electromagnetic compatibility.

The Philippines is a signatory member of the Mutual Recognition Arrangements with the Asia Pacific Laboratory Accreditation Organization and the International Laboratory Accreditation Organization. The Philippines also participates actively in the IEC and the International Organization for Standardization (ISO) and Codex committees. In addition, the Philippines continues to strengthen its capability to fully participate in the APEC Mutual Recognition Arrangement on Telecommunications Equipment.

Some concerns remain with respect to the need of further transparency in terms of sanitary and phytosanitary requirements, as well as in technical regulations.

Customs Procedures

The Philippines acceded to the Revised Kyoto Convention in June 2010. The Revised Kyoto Convention includes elements to facilitate trade such as the application of simplified customs procedures, the use of risk management, among others. The Philippines is working towards the application of the Authorized Economic Operator (AEO) Program and availing pre-clearing process, as well as conducting a pilot testing of the Automated Raw Materials Liquidation System.

The Philippines issued rules and regulations of E-transit System by monitoring containerized cargo through GPS. Also, the Import and Assessment System was implemented in all ports, which includes an enhanced risk management system, submission of electronic manifest 12 hours before arrival of shipment, and payment of duties and other fees through banks via electronic debit.

Intellectual Property Rights

In order to improve its IPR system, the Philippines implemented initiatives to raise awareness, facilitate the use of IP schemes, streamline procedures and strengthen the enforcement of its IP legal framework. In this regard, the Philippines established a pool of Innovation and

Technological Support Offices to strengthen the capacity of local institutions in accessing patent information and using the patent system. Also, the Philippines commenced the Industrial Property Automation System to cover the end-of-end processing of patents, trademarks, utility models and industrial design applications.

The Philippines established partnerships between public and private institutions to strengthen IP enforcement and promote anti-counterfeiting initiatives.

Competition Policy

In June 2011, the Philippines designated the Department of Justice as the competent authority in competition matters and created the Office for Competition. The Philippines is advocating for the enactment of a comprehensive competition policy law in the upper and lower chamber of the Congress.

Government Procurement

The Philippines implemented the Revised Implementing Rules of the Government Procurement Reform Act to enhance transparency, competition and efficiency in government procurement. The revised rules streamlines eligibility requirements set forth under the previous rules.

To enhance transparency in the government procurement system, the Philippines posted the Resolutions of Protest and Request for Reconsiderations by procuring websites in the Government Procurement Policy Board.

Deregulation/Regulatory Review

As stated in the 2011-2016 Philippine Development Plan, reforms in the transportation sector are ongoing with the commitment to separate the regulatory and operational functions and eliminate overlapping functions among agencies.

Dispute Mediation

In December 2009, the Department of Justice issued the Alternative Dispute Resolution Act to further encourage alternative modes of dispute resolution.

In 2011, the Intellectual Property Office of the Philippines (IPOPHL) put in place the IPOPHL Arbitration Rules, which are consistent with the World Intellectual Property Organization (WIPO) Arbitration.

Mobility of Business People

The Philippines conducted a full implementation of the e-passport project.

Transparency

Public hearings and consultations are conducted in the formulation of policies. The private sector and civil society are represented in government councils/committees.

RTA/FTAs

Currently, the Philippines has seven free trade agreements in force with 15 partners.