

Trade and Development Board, sixtieth session
Geneva, 16–27 September 2013

Plenary on Items 4 and 8:
**Interdependence: Towards new patterns in global growth
and
Development strategies in a globalized world: Growing
domestic and regional demand for balanced and sustainable
growth**

Speaker: Philippines

Tuesday, 17 September 2013

*Not checked against delivery **

* This statement is made available in the language and form in which it was received. The views expressed are those of the author and do not necessarily reflect the views of UNCTAD.

Draft Statement of the Philippines
Agenda items 4 and 8
17 September 2013

Mr. President.

1. As this is the first time that my delegation is taking the floor, allow me to congratulate you and the members of the Bureau on your election. Allow me also to congratulate Dr. Kituyi on his assumption as Secretary-General of UNCTAD. We are pleased to hear the key objectives he has outlined for the organization. With his vast hands-on and policy experience, we are confident that he will be able to guide the work of the organization in the interest of all its members, particularly developing countries such as mine.

Mr. President,

2. On agenda items 4 and 8, the Philippines would like to associate itself with the statements delivered by Ecuador on behalf of the Group of 77 and China, and by Iraq on behalf of the Asian Group.
3. Our deliberations on this agenda item are timely and are an opportunity to exchange experiences and ideas on how to face together the multifaceted global economic challenges we face. It is also an opportunity therefore to learn from each other, particularly as we forge a vision and consensus on the post-2015 global development agenda.
4. In this regard, the Trade and Development Report this year presents much food for thought. Its key messages of the need for prudence and pragmatism in fostering stability are a welcome recognition of the experience of countries such as the Philippines.
5. The Philippines' gross domestic product grew by 7.5 percent in the second quarter of 2013 compared to the same period last year. This is the fourth consecutive quarter that our GDP has been expanding above 7 percent. We have been experiencing growth of above 6 percent since the first quarter of 2012. We were able to grow despite the contraction in exports. This is partially consistent with the TDR's message of the importance of domestic markets and the need to stimulate internal consumption. Nevertheless, the importance of exports, particularly regionally and globally, should not be underestimated, and perhaps this is one important question we must confront in our interactive discussions on the TDR.
6. Indeed the composition of our growth shows signs of an economy that is in the process of rebalancing, moving from being largely consumption-driven to becoming investment-led. My delegation therefore looks forward to our discussions on item 9, especially the importance of global value chains and their

development impact. Indeed one interesting conclusion from reading this years' TDR and WIR is the complementarity that each publication brings, and perhaps in future sessions of the TDB, we could explore ways of considering the flagship reports by juxtaposing them, perhaps as a special topic or as the subject of the High-Level Segment.

7. Such a strategic deliberation of UNCTAD's major analytical products would contribute to our broader national policy making processes especially those that form part of the articulation of our national development priorities. For the Philippines, these include having sound macroeconomic fundamentals, a sustainable fiscal position, stable financial system, and favorable external position. Notwithstanding the challenges of implementing public-private partnership projects or PPPs, both the government and private sectors continue to invest heavily in infrastructure, which has been a critical constraint to development.
8. With strong macroeconomic fundamentals, our country is managing risks that arise with volatilities, including those of the stock market and the Philippine peso. Inflation remains stable; interest rates continue to be low; and our current account can cover 12 months' worth of imports.
9. Likewise, the increased diversification of exports has made us less susceptible to trade-related shocks. While we are not completely immune to external shocks, our positive actions that have facilitated economic restructuring and rebalancing have given us greater resiliency. Contributing to this resiliency are the significant remittances from overseas Filipinos, thus underscoring the importance of the impact of migration on development for my country, as well as many other countries, developed and developing. Yet this resiliency may be fleeting. We can only mitigate the impact of events and conditions over which we have little or no influence. We therefore continue to view reform of the international economic architecture a key global priority to ensure that our national development efforts are based on a firm partnership at the global level, and that we have our rightful place in a truly democratic system of global economic governance.
10. We look to UNCTAD contributing to a greater understanding of the interplay of these important factors, as well as to the articulation of clear and effective policy options. Indeed, I wish to close with what Dr. Kituyi himself recently stated, that we expect UNCTAD to be at the table in the crucial times ahead.

Thank you, Mr. President.