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**Item 7: Evolution of the International Trading System and its  
Trends from a Development Perspective**

**Speaker: Philippines**

**Monday, 22 September 2014**

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**Philippine Statement delivered by H.E. Amb. Cecilia B. Rebong  
at the 61<sup>st</sup> Session of the Trade and Development Board  
Agenda Item 7  
Evolution of International Trade and Its Trends from a  
Development Perspective  
Geneva, 22 September 2014**

Madam President,

1. Six years after the onset of the global financial crisis, international trade has been sluggish. Merchandise trade grew slightly above 2% in volume in 2012-2013, which is below the growth of global output. The share of agricultural trade in the global trade remained relatively stable at 9% in 2012. This is to say that, revitalizing trade is critical for reinvigorating the world economy.
2. Agriculture is critical to the food security and economic development of both developed and developing countries. The FAO has predicted that global food production has to more than double by 2050 especially in developing countries to escape mass hunger. While about 40-50% of the work force in many developing countries depend on agriculture, low productivity and income and chronic poverty are a big challenge in this sector.
3. A fair, rules-based, and market-oriented multilateral trading system has a critical role to play for complementing productivity, food security and economic development. Agriculture is among the most distorted sectors in international trade. Despite agricultural trade reforms (in market access, domestic support and export competition) in the multilateral trading rules in the Uruguay Round, tariff protection, non-tariff barriers and huge production and export subsidies persist.
4. Tariff peaks and escalation is also one of the obstacles that keep many developing countries from benefiting from adding more value to their exports and establishing processing industries. This phenomenon has prevented us from meaningfully improving our market access to the developed countries' markets. Moreover, domestic support and export subsidies further distort agricultural trade to the detriment of resource-poor developing countries including the Philippines.
5. With that, the Philippines calls on the WTO Members to finally deliver the more than decade-long Doha 'Development' Round (DDA) of negotiations in the WTO which would hopefully make the multilateral trading system a more level playing field attuned to the needs of resource-poor developing countries.
6. Madam President, the Philippines has doubled its efforts for the past years to improve the country's agricultural trade and food security. My country has also been at the forefront in the DDA calling for the elimination of all forms of export subsidies, substantial removal of domestic support, and improved market access. In these areas, however, Special and Differential treatment flexibility should be an integral part so that food security, livelihood security and rural development challenges in developing countries can be addressed.

7. The Bali Package is the first multilaterally negotiated agreement under the WTO that serves as a concrete reaffirmation of commitment of members to continue reforms in the multilateral trading system. However, the Bali Package must be used as a springboard to, not a substitute of, the full conclusion of the DDA.
8. As a member of ASEAN, the Philippines is also committed to deepening economic integration among members, including removing obstacles to trade and improving trade facilitation. We have also pursued negotiations of regional trade agreements such as the Regional Comprehensive Economic Partnership (RCEP) in line with our commitments to ASEAN Economic Community by 2015.
9. It is our hope, therefore, that all these efforts will not be made futile especially in the context of pursuing economic growth and sustainable development. In this regard, the Philippines would like to stress the important role of international trade as an enabler of inclusive and sustainable growth in the post-2015 development agenda framework. Robust trade in agriculture and fair access to international markets are very important to developing countries. It plays a pivotal role in poverty reduction and sustainable development, and therefore in attaining completely the Millennium Development Goals. Agricultural subsidies distort the global agricultural trade. I wish to highlight UNCTAD's report that \$486 billion was spent as agriculture subsidies in the top 21 food producing countries globally, representing almost 80% of global agricultural value added. Madam Chair, it is our hope that the international community will look at this closely and find durable ways to address this major concern.

I, thank you, Madame Chairperson.