


SENATE
P.S. RES. NO. 720



Introduced by Senator Manny B. Villar

RESOLUTION

URGING THE COMMITTEES ON TRADE AND COMMERCE, ECONOMIC AFFAIRS, AND SPECIAL OVERSIGHT COMMITTEE ON ECONOMIC AFFAIRS, TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE POLICY OF THE GOVERNMENT WITH REGARD TO THE PHILIPPINE EXPORT INDUSTRY WITH THE END IN VIEW OF ARRESTING THE CONTINUOUS DECLINE OF THE PHILIPPINE EXPORTS AS COMPARED WITH ITS NEIGHBORING COUNTRIES.

Whereas, Article XIII, Section 1 of the 1987 Constitution states that: "[t]he goals of the national economy are a more equitable distribution of opportunities, income, and wealth; a sustained increase in the amount of goods and services produced by the nation for the benefit of the people; and an expanding productivity as the key to raising the quality of life for all, especially the underprivileged;

Whereas, according to news reports, the Philippines' exports were growing until April 2011 and has since then declined, most significantly in September 2011 where exports declined by 27.0 percent, and in October, November, and December of the same year, the exports declined by 14.6 percent, 19.4 percent, and 20.7 respectively;

Whereas, the decline according to reports, is caused by the fact that the Philippine exports to the United States, its primary market of direct and indirect exports combined, was down 6.2 percent;

Whereas, another reported reason for the continuing decline of exports of the country is its heavy dependence on the exports of electronics products which accounts for about two-thirds and which has since shrunk to one half, of the total Philippine exports and that these electronic product exports have declined by 33 percent as of December 2011;

Whereas, Philippine exports have dropped so steeply in recent months that the shipments abroad contracted to \$3.3 billion in December 2011, which is the lowest level in three years;


Whereas, the continued appreciation of the Philippine peso against the dollar is also believed to have eroded the competitiveness, in terms of value, of the Philippine exports;

Whereas, while the Philippines' exports decline, reports would show that the Philippines' neighboring countries' exports flourished as shown by the following figures: in 2011, Indonesian exports rose by 29.0 percent, Malaysian exports grew a robust 8.7 percent, Vietnamese exports climbed by 33.3 percent, while Thailand's exports grew by 17.2 percent, despite the impact of the recent great flood;

Whereas, due to the continuing decline of the Philippine exports, its heavy reliance to the US market which is apparently experiencing an economic slowdown, and that the electronic products export has suffered a setback, coupled by the appreciation of the *Philippine Peso* to the dollar, it is imperative that the country pursue other avenues and consider diversifying export products and markets and create means to improve the competitiveness of the Philippine export products;

NOW, THEREFORE, BE IT RESOLVED AS IT IS HEREBY RESOLVED, to urge the Committees of Trade and Commerce, Economic Affairs, and Special Oversight Committee on Economic Affairs, conduct an *inquiry*, in aid of legislation, on the policy of the government with regard to the Philippine export industry with the end in view of arresting the continuous decline of the Philippine exports as compared with its neighboring countries.

Adopted,



Manny Villar