



GOP-UNDP PROGRAMME
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TRADE AND DEVELOPMENT: MANAGING GLOBALIZATION
Fair Trade Alliance's Project Report 2006

The project '**Trade and Development: Managing Globalization**' was designed to contribute in achieving a more responsive national, sub-national, and local institutions providing efficient social services delivery. Such outcome was made possible through the conduct of two (2) research presentations, namely: (1) Post MFA Tracking System of the Garments and Textile Industry of the Philippines and (2) Gender and Trade.

These two activities were held as a venue for the public to know their respective rights and be updated with the different issues on trade and development. Further, the activities invited greatly active participation of both the direct and indirect stakeholders from which necessary and important points in the sustenance of the industry where they are either directly connected with – as management and/or labor -- or a separate sector that indirectly benefit from the full-blast operation of said industry. In these fora, not only the industry situations were discussed but also the living conditions of their employees and workers. Recommendations on how to work together to raise and strengthen productivity and competitiveness were also generally outlined while the role of civil society, as partner for growth, brought up.

Hence, having equipped the community at large with such knowledge and needs, it is recognized that they will be more vigorous in participating in activities that may lead to the betterment of their lives, their children and their families in general.

The 2006 project of the Fair Trade Alliance was a continuation of the 'meryendahan' serye done in 2005 and was made as a follow-up of the previous works of the alliance. The alliance thought it was wise to update action plans and continue engagements between the affected sectors and the other stakeholders to effectively obtain the following expected outputs:

1. To come up with concrete proposals and programs of action that are rights-based and gender sensitive;
2. To strengthen GO-CSO partnership in formulating trade and development policies that are key to building a strong integrated agro-industrial program;

3. Reinforce the economic, social and cultural rights of various stakeholders, specifically the right to work, right to food and clothing, and right of women to gender equality;
4. To promote awareness building and information dissemination on trade and development issues; and
5. To further strengthen unities of the alliance and partners;

In this era of globalization, economic development remains a promise for the Philippines. Many businesses are put to naught and labor and their families are left in hunger. Without a clear development framework, these problems will continue to intensify and will only put the country in a losing situation. The Fair Trade Alliance has designed the project to ascertain the impact of globalization and regional integration in certain industries and to work together with the stakeholders towards unloading their burdens and giving them opportunities for betterment.

The project, as previously stated, was composed of two fora: (1) Research presentation of the Post MFA Tracking System of the Garments and Textile Industry of the Philippines and (2) research presentation on Gender and Trade. Originally, the project should have been composed of three activities, the two (2) above mentioned and a forum on 'mining'. Unfortunately, the later, which was supposedly in partnership with UP NCPAG, was not pushed through because of the muddle in the other equally important activities of the responsible party as well as the unavailability of most of the stakeholders. The said activity was again scheduled to December 2006 but nevertheless deferred to next year to be able to meet the reportorial requirements set in the project terms of reference.

Post MFA Tracking System of the Garments & Textile Industry of the Philippines

In 2005, one of the projects of the Fair Trade Alliance was the 'meryendahan' in garments, wherein issues raised in anticipation of the phase out of the Multi-Fiber Agreement (MFA) was tackled. One positive outcome of said activity is the membership of the Fair Trade Alliance (FairTrade) labor initiated Garments and Textile Labor Alliance (GARTEX) to the Clothing and Textile Industries Tripartite Council (CTITC), where it continues to be a member and takes active participation in all dialogues involving the situation and possible development plan for the industry and its entire members.

Also, another project of the Fair Trade Alliance last year was a research on the Post MFA Tracking System of the Garments and Textile Industry of the Philippines. However, mere research wouldn't be as efficacious unless shared to a larger population. Hence, the alliance in its 2006 project, conducted a forum for the presentation of the said research. The first activity was held last 18 August 2006 at Hotel Rembrandt in Quezon City. Here, three studies involving the Garments and Textile Industry were thoroughly discussed to the public by competent and knowledgeable

speakers, namely: (1) Dr. Manuel Montes, Regional Programme Coordinator of Asia Trade and Investment Initiative of the UNDP Regional Center in Colombo, presenting the latest UNDP study entitled '*Sewing Thoughts: How to realize human development gains in the post- quota world*'; (2) Mr. Joseph H. Francia, UNDP Consultant, discussing his research '*Philippine Trade in Garments, Textile, Yarn and Fabric and other Made-up Textile Materials*' and (3) Dr. Rene E. Ofreneo, Executive Director of the Fair Trade Alliance, talking about his study on the '*Philippine Garments: A year and a Half after MFA.*'

The sponsor invited a number of reactors from the Government, business sector, labor organizations and the civil society, who were deliberately chosen because of their known expertise with regard the subject matter involved – the garments and textile industry. The reactors were: Amb. Donald Dee of PCCI, Executive Director Raul Angeles of DTI, Dir. Estela de Guzman of the Industry and Trade Statistics Department of NSO, Mr. George Sy of CONGEP, Atty. Norberto Alenzuela of ITGWF and Ms. Flor Cabatingan of ALU-TUCP. An open forum followed thereafter, of which loads of experiences and lessons were derived. The diverse exchange of views resulted in the following recommendations for the strengthening and survival of the industry:

1. Government to lead the sectors but there should be continued consultations;
2. Improve competitiveness of sectors through a roadmap;
3. Necessity of structural changes, considering other problems such as smuggling and cost of energy;
4. Preparedness for continued competition taking into account cultural change;
5. Need of a more accurate data and openness of statistics;
6. Provide options or other livelihood activities for those displaced in the industry and confer training and exposure to productivity for those still inside the industry;
7. Take into account the possibility of a Labor – Management dialogue on how to work together for industry survival;

At the end of the forum, the speakers, reactors and participants were in agreement that there is still hope for the garments and textile industry in the Philippines as long as all the stakeholders will help each other towards achieving such goal.

Presently, the Fair Trade Alliance is still an active member of the Clothing and Textile Industry Tripartite Council (CTITC) and continues partnership with the government in working together to achieve economic development. Also, the alliance had meetings with the Department of Trade and Industry on initial plans for the conception of a clothing and textile roadmap.

Gender and Trade

The Fair Trade Alliance with the University of the Philippines College of Social Work and Community Development (UP CSWCD) and participation of the Women and

Gender Institute (WAGI) of Miriam College, prepared a research on the relation of gender to trade because of the rising issues of gender equality. And of course, the value of such research will be meaningful only if further disseminated to the public. Thus, FTA held a research presentation on the study last 06 October 2006 at Room 302, College of Social Work and Community Development, University of the Philippines, Diliman, Quezon City. But prior to such forum, the women groups headed by the UP CSWCD already conducted a small group consultation for additional inputs and critique to the papers, wherein the FairTrade actively took part.

The research was composed of six (6) studies – relationship of gender to selected sectors. The following are the respective studies: (1) Important Onions make Women Farmers Weep by Daryl L. Leyesa of Centro Saka, Inc, PKKK; (2) Gender and Market Access of the Seaweeds Industry by Prof. Teresita V. Barrameda of the Dept. of Women & Development Studies, UP CSWCD; (3) Gender, Trade and the Footwear Industry by Ma. Gichelle A. Cruz of the Research and Extension Development Office, UP CSWCD; (4) Gender, Migration and GATS Mode 4 by Mary Lou L. Alcid of the Dept. of Social Work, UP CSWCD; (5) Trade and Gender Issues in the Access to HIV/ AIDS Medicines by Dr. Dennis B. Batangan, M.D., M. Sc., of the Institute of Philippine Culture, Ateneo de Manila University; and (6) Analyzing the Trade in the Audio-Visual Services Using a Gender Perspective: A Preliminary Examination of the Philippine Case by Marina Fe Durano of the International Gender and Trade Network –Asia and presented by Josefina Francisco. The areas were chosen purposely because of the limited researches and studies made in said sectors. The studies were done through the use of value-chain analysis. This was thoroughly discussed by Prof. Jeanne Frances I. Illo of WAGI, Miriam College. Synthesis was then given by Dr. Rosalina Pineda – Ofreneo, Chair of the Dept. of Women & Development Studies, UP CSWCD.

The studies were then subjected to the critique of people from the government, farmer groups, women organizations, business and other civil society associations. Highlighted, among other things, was the effect of globalization to the livelihood of the Filipinos, affecting intensely women and children and hindering their competitiveness and blocking their potentials towards development. Different views were welcomed through an open forum raising as a major question therein the overall welfare of women and how to improve their conditions. A fruitful discussion gathered the following proposals for action:

1. In the onion industry, to address the issues of incompetitiveness , considering the following as factors: import surge, smuggling, less government support to post- harvest facilities, etc. ;
2. Acknowledge the role of women in the promotion of exports;
3. Necessity of government to realize their role and be accountable for specific problems and issues of the stakeholders;
4. Examine the social services aspect of the industry which affects the poor farmers' living and health conditions such as exposure to chemicals, etc.;
5. Strengthen the capacity of cooperatives as support system;
6. Need for a development road map in each sector;

7. Develop capacity for gender-based analysis;
8. Ensure that women's and men's voices are heard in trade negotiations through participation of NGO and advocacy groups;
9. support communication between female producers and trade negotiators;
10. Ensure the inclusion of gender issues as well as participation of women advocacy groups in ongoing campaigns against smuggling, high prices of drugs, etc.
11. use rights-based framework for policy formulation;

The said activity was a pioneer and we hope to expand further, which means plans to include other sectors in the study and not to limit and stop at the 6 sectors specified.

After full implementation of the two activities, it now appears that the objectives set for the project were accomplished victoriously. The performance indicators laid down for the year materialized greatly though the need for a more concrete outcome in the form of policies calls for further action and requires longer time implementation.

The Fair Trade Alliance, as always, plans to continue with its efforts of fighting the evils of unbridled globalization to save domestic agriculture and industry, jobs and livelihood. It shall continue propagating and bringing the issues of untamed and unmanaged globalization into the hearts of each home, localizing the issues of liberalization and putting it into words and scenarios more easily understood by a normal Filipino, taking into consideration their respective work and condition. Publishing the researches with conscious plans of incorporating therein the comments and suggestions gathered during public presentations are envisioned, further venues for social and policy dialogue with government and stakeholders, and the holding of the forum on 'mining', one originally set for the year but was nevertheless deferred because of lack of time and resources, are the priorities for the next year.

To sum, Fair Trade Alliance's project: "Trade and Development: Managing Globalization" has been a conquest and definitely, had been another step forward to achieving development in human terms.