

## **Actions on NAMA in the Philippines**

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### **Introduction**

Involvement and discussions on international trade does not necessarily rank high among the union's strategic and competing priorities. Owing to the complex and technical nature of the subject, unions would rather stick to the more traditional concerns of job security, decent work and collective bargaining. There is also a mistaken notion that global trade and the rules that control it are removed from workers' day-to-day life and unions' day-to-day actions. But because of the unfair and negative outcomes it has produced, many unions have taken an active role at various levels in ensuring the effective integration of the social dimension in trade talks.

In recent years, unions have led and participated in some of the biggest and most bitter international protests in places where meetings of world leaders to discuss trade and international development are the focus. Unions, individually and collectively, have also engaged World Trade Organisation (WTO) officials and trade negotiators to bring forth the message that trade regulations must give adequate attention to the concerns of ordinary people and workers and not primarily serve the interests of big business. In particular, unions insist on the "development dimension" of the so-called WTO Doha Development Round (DDR) which was initiated in 2001 and put the interests and needs of developing countries at the heart of the WTO Doha Work Programme. One of the major areas of active trade union campaigns is the negotiations on the Non-Agricultural Market Access (NAMA) because it covers the liberalisation of trade of all non-agricultural goods and have the potential to adversely affect production and employment in many sectors.

In the Philippines, the campaign on NAMA led by the Trade Union Congress of the Philippines (TUCP) gained momentum in terms of making unions and other like-minded allied organizations better informed about the complexities and injustices of the current WTO system and, more importantly, what can be done to make a difference. In particular, the TUCP built its campaign around the core theme of uphold fundamental workers' rights in trade negotiations and agreements and promote decent work.

This report summarises significant activities of the campaign which involved a number of activities and served to highlight the importance of increasing understanding and sharing information and in effecting cross border alliances to manage the negative impact of globalisation.

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## THE PHILIPPINE NAMA POSITION

One major factor to consider in the TUCP NAMA Campaign was how the Philippine WTO negotiators positioned itself among other WTO members. In 2005, the Philippines joined and led other developing countries, particularly the G-33 coalition focused on the WTO's farm talks and the NAMA-11. The NAMA-11 group consisted of Argentina, Brazil, Venezuela, South Africa, Namibia, Tunisia, Egypt, India, Indonesia and the Philippines.

As a common position, NAMA 11 wanted less severe industrial tariff cuts and leeway in protecting domestic manufacturers. As a group they submitted a number of communications in the WTO expressing a united position especially with regard to "achieving a fair, balanced and development oriented result in accordance with the mandate." The NAMA-11 group stressed that a "difference of at least 25 points between the coefficients of developing and developed countries that takes into account the principle of "less than full reciprocity in reduction commitments" and will require developed countries to do more than developing countries."

Recognising the important position the Philippines has taken within the NAMA 11 group, the TUCP submitted several demands to Philippine negotiators. The TUCP, citing studies and simulations made by the then ICFTU (now the International Trade Union Confederation (ITUC), believed that the effects of the tariff reductions at levels proposed will be twofold: on the one hand this path of liberalisation will lead to job losses and adjustment; and, on the other hand the future industrial development prospects of developing countries could be seriously compromised, including the potential for decent work and the creation of productive employment. Table 1 (source: ITUC, 2007) summarizes the impact of the current NAMA proposals.

Table 1 Source: ITUC 2007

Philippines	Current applied	Current bound	New Bound SF 19	Reduction in applied SF 19	New Bound SF 23	Reduction in applied SF 23	Formal Employment (2004)
Textiles	9.1	30	11.6	-	13.0	-	96,000
Clothing	15	30	11.6	23%	13.0	13%	370,000
Leather	13.3	50	13.8	-	15.8	-	69,000
Footwear	13.3	50	13.8	-	15.8	-	
Plastic	11.5	30.4	11.7	-	13.1	-	56,000
Rubber	8.3	23.8	10.6	-	11.7	-	
Wood	7.1	24.7	10.7	-	11.9	-	142,000
Automobile	24	24.8	10.8	55%	11.9	50%	39,000
Chemicals	3.7	25.6	10.9	-	12.1	-	66,000
machinery	2.7	26.3	11.0	-	12.3	-	64,000
furniture	11.9	39	12.8	-	14.5	-	143,000

Fabricated metals	7.2	30	11.6	-	13.0	-	111,000
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## **NAMA 11 UNION GROUP**

The campaign also got a major boost when the TUCP joined unions from the NAMA 11 countries and formed an “informal” group collectively known as the NAMA Trade Union Group. The NAMA-11 trade union group comprised of trade unions from Argentina, Brazil, Egypt, India, Indonesia, Namibia, Philippines, South Africa, and Venezuela.

The NAMA-11 Union group voiced concerns over the position of the developed countries in the NAMA negotiations, and urged the NAMA-11 group at the WTO to maintain their unity in the face of pressure from the developed countries. The NAMA-11 Union group also issued several statements urging negotiators “to make no further concessions on NAMA given that the existing positions would already deliver negative results for manufacturing employment and industrial development for many developing countries.” These statements were submitted to the WTO Secretariat, their respective missions in Geneva as well as with the national government agency/office responsible for trade.

There was a regular exchange of information amongst the group through monthly telephone conference calls and emails and news using a dedicated listserv. These opportunities provided the group with updated information on the current state of the negotiations and allowed for strategic planning of activities at global and national levels. It proved to be useful especially in monitoring the situation and drawing out necessary actions done and should be taken by unions.

## **ENGAGING WITH THE PHILIPPINE GOVERNMENT**

At the national level, the TUCP also actively communicated with the Philippine Department of Trade and Industry (DTI). Using letters jointly agreed by the NAMA Union group, the TUCP called on the DTI “to ensure that tariff reduction commitments in NAMA should be made on the basis of developmental considerations.” TUCP also demanded “full transparency and trade union access to consultations and information as well as inclusiveness in green room negotiations.”

TUCP was also invited to various consultation sessions on NAMA convened by the DTI. These activities were used as opportunities to speak out the union demands on NAMA and interact with other stakeholders of the process. As a result of attending these, TUCP was able to influence the positions taken by the negotiators as well as ensure that the voices of workers and trade unions are articulated and recognized.

Meetings with Philippine NAMA negotiators in Geneva and Manila were also made to discuss the trade union positions on NAMA. TUCP's role was eventually given importance when it was invited to sit in the Inter-agency working group regularly convened to monitor progress on NAMA.

## **WORKERS' EDUCATION ON WTO/NAMA**

In order to increase understanding and share information about NAMA, the negotiation process and trade union actions, TUCP organised several symposia and workers' education sessions widely participated not only by unions but also allied non-government organizations. TUCP's activities enjoyed support from groups such as the International Labour Organisation (ILO), Friedrich Ebert Stiftung (FES), the Asian Labor Network on IFIs-Philippines Chapter (ALNI/P), the NAPC-Formal Labor and Migrant Workers Council (FLMW) and the Solidarity Center/Philippines.

One such example was last year's forum on "**Current State of WTO-NAMA Negotiations: Their Implications to the Workers' Campaign to Promote Adherence to CLS and Decent Work in the Philippines**" which was held 12 May 2008. The activity was jointly organised by trade unions, led by the TUCP, together with allied migrant workers organizations, public sector unions, labor federations and local unions. The participating unions and organisations joined hands in calling on government WTO negotiators, particularly the DTI, to ensure a development outcome of the ongoing negotiations in the Doha Round of the World Trade Organization (WTO). The unions and organizations, citing the simulations conducted by the ITUC, expressed grave concerns about the negative impact on employment, the downward pressure on wages and working conditions and broader industrial development if the proposed level of tariff reductions are to be pursued. The DTI officials present in the meeting agreed to bring the issues to the attention of higher officials and assured the forum participants that union representatives will be provided with information and access to consultations on Philippine positions on NAMA and other WTO concerns.

Participants of the forum also agreed that there is a need to conduct more in depth research on the effects of negotiations on decent work, development and employment was also raised during the forum. The participants also signed a joint statement transmitted to the Trade Secretary and a meeting with the DTI Secretary should be scheduled.

## **JOINT STATEMENTS**

Since 2006, the TUCP regularly comes out with statements articulating its support to the positions taken by the NAMA 11 Union group. These statements were circulated to government agencies and the media. One such statement

was issued just before the 2008 Mini-ministerial meeting in Geneva where TUCP was able to solicit the support of about 20 trade unions, migrant workers organizations, seafarer's union, public sector unions, labor federations and local unions. The common statement and position expressed concerns and demands on the current state of WTO-NAMA negotiations. Among the organizations that affixed their signatures to the statement are the following:

1. Trade Union Congress of the Philippines (TUCP)
2. Task Force Advocacy- Asian Labour Network on IFIs/Phils
3. Association of Trade Unions (ATU-TUCP)
4. National Congress of Unions in the Sugar Industry of the Philippines (NACUSIP-TUCP)
5. Formal Labor and Migrant Workers Council-National Anti-Poverty Commission (FLMW-NAPC)
6. Philippine Transport and General Workers Organizations (PTGWO-TUCP)
7. KAKAMMPI (migrant workers organization)
8. Temic Automotive Philippines, Inc.- FFW
9. Philippine Federation of Labor (PFL-TUCP)
10. Alliance of Progressive Labor (APL)
11. NAPC-Basic Sector Unit
12. Philippine Government Employees Association (PGEA-TUCP)
13. Center for Overseas Workers (COW)
14. KILUSAN sa Jollibee-KILUSAN-TUCP
15. Confederation of Labor and Allied Social Services (CLASS-TUCP)
16. Federation of Free Workers (FFW)
17. NUWHRAIN-APL
18. PIILU-TUCP
19. United Filipino Seafarers (UFS)
20. National Union of Bank Employees (NUBE)
21. KAIBIGAN, Inc.

The statement was sent to the DTI Secretary and became the subject of a meeting with the Trade Department.

## **WORKING WITH MEDIA**

Another aspect of the campaign that worked was to establish closer relations with the media and the press. Regular media exposures and news/press releases help in spreading word about union demands and position on the WTO and NAMA negotiations. It also mobilizes public support and bring greater awareness about the overall potential negative impact of the existing NAMA proposals by developed countries.

## **CONCLUSIONS AND THE WAY FORWARD**

Over the past year, the TUCP has made significant breakthroughs in the campaign to promote the effective integration of the social dimension in global trade. The strategic approaches it has utilized, in coordination with the ITUC and the other members of the NAMA 11 Union group serve to demonstrate how unions have introduced innovation in their campaign work on an issue that is global in character. By converging together at the global arena, unions remain a powerful and effective voice in fighting for social and economic justice for workers. But given the character of unions, there is a divergence in the scale and magnitude of campaign approaches undertaken at the national level and the TUCP campaign is proof of such divergence.

There were lessons learned in the whole campaign process but the most important lesson have been the ability to breathe life into an otherwise non-traditional trade union issue. The support that the TUCP was able to generate from not only its affiliates but also with other labour groups and NGOs is proof that unions and their allies can make a difference and can change the course of the current global trade regime. National level actions are as important as global campaigns. And more importantly, global level campaigns would not be as effective if rank and file members are not properly and adequately informed and educated.

There continue to be challenges along the way but, more importantly, TUCP intends to give focus on a number of issues to strengthen its campaign :

### a) the need to promoting decent work in trade negotiations

With the proliferation of regional and bilateral trading arrangements and agreements, the TUCP intends to pursue the effective integration of decent work, with focus on fundamental rights of workers, in the negotiating mandates of trade negotiators. While resisting the neo-liberal character of these trade agreements, TUCP will continue to insist on having trade and sustainability impact assessments and a chapter devoted to labor and environmental standards in these agreements.

### b) the importance of narrowing the knowledge gap

One of the biggest challenge facing unions is the non-interest of officers and members to discuss global trade issues due mainly to the absence of opportunities for learning and education. TUCP intends to conduct labour education programs to narrow this knowledge gap on trade. It will attempt to make available information and educational materials on trade and other WTO matters for its general members. TUCP will also strengthen its capacity in doing policy-oriented research.

### c) Cross border alliances

TUCP continues to believe in the power of building alliances beyond its borders. The greatest single force for global social change comes from a united global labour movement. TUCP remains committed to see this goal realized.