

**Remarks by
Hon. Enrique A. Manalo
Secretary for Foreign Affairs
at the
Fellows Meeting
of the Foundation for Economic Freedom
East West Room, Manila Golf and Country Club
6 March 2023, 1800H**

Mr. Calixto V. Chikiamko, President of the Foundation for Economic Freedom (FEF);

Esteemed Trustees, Officers, and Fellows of the FEF;

Friends and representatives from the business sector and the academe;

Ladies and gentlemen,

A pleasant, good evening to all of you.

I am honored to be here tonight in the company of renowned individuals from government, academe and industry. I wish to thank the Foundation, especially Mr. Chikiamko, for the kind invitation to talk about the foreign policy objectives and activities of the current administration.

In the last eight months since President Ferdinand R. Marcos Jr. assumed his leadership on a resounding mandate and took on the mantle as the Chief Architect of the Philippine foreign policy, he has articulated on numerous occasions – before local and international audiences – his foreign policy thrusts during this post-Covid 19 global economy, and amid the crescendo of global concerns that bear on critical Philippine interests.

Independent foreign policy

In his first State of the Nation Address (SONA) last July, the President stated that, and I quote, “we will stand firm in our independent foreign policy, with the national interest as our primordial guide.” End quote.

The Philippines’ independent foreign policy is the touchstone of our engagements in the region and with the world.

In the words of the President, the Philippine foreign policy is, and I quote (again) “always looking for ways to collaborate and cooperate with the end goal of mutually-beneficial outcomes, and working to develop consensus in case of differences.”¹ End quote.

It is a foreign policy that seeks to strengthen our bilateral relations with all partners, and leverage those ties to foster strong partnerships among nations amidst challenges such as the following:

- (1) securing a resilient, people-centered economic recovery, especially after the pandemic and in addressing the adverse effects of climate change,
- (2) a strategic environment facing the sharpening US-China rivalry, the war in Ukraine, the rise of State actors each with their hubs of influence and alliances, and risks arising from the dual-use of new technologies;
- (3) rising tensions in areas seen as security flashpoints in Asia – these include the South China Sea and the Taiwan Straits.

Our policy recognizes our stake in a peaceful, stable and predictable regional order. Thus, our diplomacy aims for conditions for sustained and inclusive economic dynamism and a system of relationships that serves mutual interests and preserves stability.

These are pre-requisites for the Philippines to meet our national aspirations as we play a role in shaping the contours of a rules-based global order in the 21st century.

¹ President’s State of the Nation Address, 25 July 2022

Diplomacy for prosperity and peace

Friends, ladies and gentlemen,

Our foreign policy takes forward the President's *8-point Socio-Economic Agenda*² that aims to reduce poverty to 9% by the end of his term, and bring the Philippines to "upper-middle income" status.

As has been made clear in his foreign visits, the President is driving a diplomatic agenda that use synergies in our relationships to sustain our economic momentum and secure inclusive development, through expansion in key areas such as agriculture, energy, and infrastructure.

Food and energy security have become a main objective of our bilateral and multilateral engagements.

Along this line, the President has issued marching orders for optimizing partnerships to boost agricultural productivity and modernize our agricultural infrastructure.

He has directed efforts toward supporting the national energy plan that prioritizes sustainable and low transmission development for generating renewable energy and biofuels.

He has given new impetus for agreements that accelerate infrastructure development, including the nation's digital infrastructure. And all of this is about positioning the Philippine economy in the era of the Fourth Industrial Revolution.

² (1) Protect purchasing power and mitigate socioeconomic scarring, (2) Reduce vulnerability and mitigate scarring from the Covid- 19 pandemic, (3) Ensure sound macroeconomic fundamentals, (4) Create more jobs, (5) Create quality jobs, (6) Create green jobs, (7) Uphold public order and safety, peace and security, and (8) Ensure a level playing field.

Our current diplomatic thrusts also acknowledge the role of new technologies, including space-based technologies and services, as amplifiers of opportunities for innovation and inclusion.

The Department of Foreign Affairs works closely with the Department of Trade and Industry and the Department of Tourism in promoting the country as an investment and tourism destination.

We align our business pitch with that of the DTI, heralding the positive momentum of GDP growth, solid economic fundamentals and demographic sweet spot. The good news about our country include recent structural reforms related to (i) Foreign Investment, (ii) Public Service, (iii) and Retail Trade. We also pitch overseas the benefits to prospective foreign enterprises of the *Corporate Recovery and Tax Incentives for Enterprises Act*. We are also taking an active part in deliberations in Congress on specific Constitutional amendments aiming to make our economy more dynamic and resilient.

In relation to the first pillar of foreign policy which is the preservation and enhancement of national security, we work very closely with security agencies, in pursuing the Philippines' security and defense agenda whose key elements cover sovereignty and territorial integrity, disaster resilience, climate change adaptation, cyber defense, capability modernization, as well as security cooperation and agreements.³

Re-invigorated engagements

The foreign visits of the President serve as the highest platform possible to declare our desire to build better partnerships for achieving our aims for transformative, inclusive and sustainable development.

The visits undertaken by the President were not only meant to forge deeper diplomatic and economic relations but also to project the Philippines as among the

³ These are 5 of the ten point defense agenda of the DND.

“fastest rising economies in the Asia Pacific Region” and the Philippines as a responsible and engaged global citizen, true to our roots as the first Asian Republic.

In the latest accounting by the executive’s economic team, the President’s foreign trips – notably his bilateral visits to Indonesia, Singapore, China, and Japan, as well as his participation in the UN General Assembly in New York, APEC Economic Leaders’ Meeting in Bangkok, and the World Economic Forum in Davos – have generated a total of 116 projects worth about US\$62.92 billion or P3.48 trillion.⁴

Indeed, our agenda derives much energy both from the resurgence of our domestic economy post-Covid and the promise of the Indo-Pacific region as the “fastest growing economic region and largest contributor to global growth in the next 30 years”.

The Philippines’ economic trajectory in the next two to three decades, that is to be the 16th biggest economy by 2037, is very much apace with the running engines of the Indo Pacific economy.

While facing, of course, some risks and uncertainties, the regional economic momentum is expected to be propelled in the medium and long-term by the Regional Comprehensive Economic Partnership (RCEP) composed of the ten ASEAN member states, China, Korea, Japan, Australia and New Zealand, as well as the nascent Indo-Pacific Economic Framework (IPEF) covering the United States and 12 other countries in the region.

The Department of Foreign Affairs welcomed the Senate’s concurrence last 21 February of the Philippines’ ratification of the RCEP. The RCEP is considered to be the world’s largest trade deal, as it covers a population of over 2.3 billion people and a combined GDP of \$26.2 trillion.

Even if observers in the international community appreciate the Indo-Pacific region more as a political-security construct, our diplomacy places paramount importance to the role that economic vitality, economic resilience and inclusive growth play in

⁴ “PBBM’s foreign trips yield P3.48-T in investments,” 17 February 2023. *Philippine News Agency*.

making our region truly secure and stable. We pursue all possible avenues to work with partners, both through bilateral and regional efforts.

Multilateralism must work

Ladies and gentlemen, friends,

I have emphasized at the beginning that a peaceful and predictable rules-based order is essential for advancing our national goals. We need a stable geopolitical environment for our nation and region to achieve sustained economic growth.

One could only refer to the disruptive impact of the Ukraine conflict on global supply chains and energy and food security across the world, and on top of this humanitarian crisis and the scale of human suffering it has caused, to argue why conflict is not an option in our region.

The President, in his remarks before the United Nations General Assembly last September, cited “an open, inclusive and rules-based international order” as a prerequisite for preserving stability.

This is the same message I delivered when I spoke at the Munich Security Conference over two weeks ago.

There is simply no credible alternative to multilateralism and the United Nations in crafting solutions to global issues.

The Association of Southeast Asian Nations (ASEAN) is a core expression of Philippine diplomacy.

ASEAN has enabled the peoples of Southeast Asia to flourish in peace for over five decades. It has promoted political coherence through shared norms as well as providing an enabling environment to prosper its citizens through people-oriented economic integration.

It has forged itself as the hub for dialogue and cooperation in the broader Asia Pacific/Indo Pacific region, with formal partnerships with 20 states and the EU, each with their own vitality and depth.

Security engagements within the auspices of ASEAN have been, and should remain, an important feature in our region's security architecture.

ASEAN anchors a robust regional order that must successfully navigate sharpening polarities among the major powers, the rise of new security arrangements such as AUKUS and QUAD, and the evolving complexions of a geopolitical space with State actors of varying degrees of power and influence.

Beyond ASEAN, we work with other states to make multilateralism more constructive, more inclusive and fairer, in our region and internationally.

At the regional level, it is important that the future be determined by the interests and agency of many, not by one or two powers.

Multilateralism, from an international perspective, needs to adapt to present-day realities, taking into account the rise of a manifold landscape of nations and hubs of new interplays and influence, new problems that are simply intractable without effective international cooperation, and the lessons of globalization and the Covid19 pandemic come to mind.

At the same time, we believe that the UN Charter as well as its established principles and norms must be upheld, as nations ride the tides of change and transformation.

The Philippines has a long tradition of actively contributing to rule- and norm-making, championing human rights and respect for the sovereignty of nations, and preserving peace among them, in the United Nations and other multilateral platforms.

We are determined to carry on this tradition.

Working for strong partnerships and institutions in the Asia Pacific

Ladies and gentlemen, friends,

As a maritime archipelagic nation, the Philippines is proud of its contributions to the drafting of the 1982 UN Convention on the Law of the Sea. We have reinforced this legacy to a rules-based global maritime order and international law with the 2016 Arbitral Award on the South China Sea.

As the President said in the UN General Assembly, by providing the predictability and stability of international law, we have provided an example of how states should resolve differences: through reason and through right.

The President has firmly said that we will continue to uphold our sovereignty, sovereign rights and jurisdiction in the West Philippine Sea, and will do so through peaceful and legal means.

In his meetings with Chinese President Xi Jinping in Beijing, which was the President's first foreign visit this year, the President repeatedly expressed the Philippines' desire for the South China Sea to be a sea of peace, stability, and security. He urged China to abide by UNCLOS, which is the constitution of the seas as well as the 2002 Declaration on the Conduct of Parties. The President also signified our keen interest in the early conclusion of an effective and substantive Code of Conduct in the South China Sea.

The Philippines and China recognize that the West Philippine Sea/South China Sea China issue is not the sum total of our relations and that our economic and people-to-people ties play a very critical role in our pursuit of economic development as well as a peaceful and stable region.

Nevertheless, the Philippines has been clear and consistent about its serious concern over recent developments in the South China Sea, especially infringements on our sovereignty, sovereign rights, and jurisdiction.

Despite commitments to the rule of law as espoused by UNCLOS and in the Declaration on the Conduct of Parties in the South China Sea, parties continue to violate the recognized maritime jurisdiction of the Philippines.

We, therefore, uphold and protect our entitlements under the UNCLOS and the 2016 Arbitral Award through diplomacy, law enforcement, public diplomacy action and through various security and military arrangements.

We have filed a considerable number of diplomatic protests against other states in relation to their actions that threaten or infringe upon the Philippines' sovereignty, sovereign rights, and jurisdiction in the West Philippine Sea.

Our protests cover incidents on illegal presence of foreign fishing and maritime militia vessels, illegal fishing, harassment of our fishermen and enforcement agencies.

But these incidents have a decidedly human element to them, such as fisherfolks in their traditional fishing grounds, that have a political salience that is often understated in discussions focusing on security aspects of the disputes. They render the human face to the disputes and trigger public sensibilities that cannot be ignored. There also has to be an objective reckoning of the long-term economic costs to the coastal communities in the South China Sea of the destruction of wide swathes of marine ecosystem of the region, as a result of the reclamations, described by scientists to be equivalent to the destruction of seven natural world heritage areas.⁵

Our concerns are mainly from the national standpoint and should not be viewed through the prism of the US-China rivalry.

Ladies and gentlemen, friends,

The Philippines attaches great importance to its relationship with the United States, our only treaty ally. Our deep and comprehensive ties stand on shared values. We

⁵ https://e360.yale.edu/features/rising_environmental_toll_china_artificial_islands_south_china_sea

profess a shared interest in upholding the primacy of the rule of law in international relations.

The Enhanced Defense Cooperation Agreement (EDCA) is a key pillar of the Philippine-US alliance, which supports combined training, exercises, and interoperability between our forces. The full implementation of the EDCA will make our alliance more resilient, and will accelerate modernization of our joint military capabilities.

The EDCA is intended to supplement the MDT and the VFA, especially in developing the Philippines' and the United States' individual and collective capacities in addressing security threats. The EDCA facilitates this through the identification of "agreed locations" in the Philippines that would host facilities and structures to where both Philippines and U.S. forces will have access for the conduct of joint activities, such as training, exercises, and humanitarian assistance and disaster response (HADR).

Other than our important ties with China and the United States, our independent foreign policy prospers on a web of partnerships that reflect the rich, substantive and multifaceted interests that the Philippines shares with other countries in the region and the world.

The visit of the President to Japan highlighted the shared commitment of Manila and Tokyo to further enhance our relationship such that it contributes more to the prosperity and peace of our peoples and our region.

The visit of Malaysian Prime Minister Anwar Ibrahim last week affirmed the breadth of mutual concerns covering political, security, people-to-people and economic cooperation, including within the context of ASEAN, that animate the nexus of relationships that keep our region strong and dynamic.

As I said earlier, the Philippines is deeply committed to the further strengthening of the Association of Southeast Asian Nations (ASEAN) Community. Upholding ASEAN

centrality in the regional security architecture in the 21st century entails our sustained investments in making ASEAN more politically cohesive, strategically coherent and economically prosperous.

Beyond our partners in ASEAN, we are further deepening and broadening our bilateral ties across all areas with Australia, the Republic of Korea and India, and the European Union as well as its individual members, such as Germany and France. These ties are buttressed by mutual interests in enhancing economic cooperation and upholding democracy and freedom, rule of law, peace and stability and promotion and protection of human rights.

And of course, we continue to build on existing relationships, forge new areas for cooperation and increase dialogue with our neighbors in South Asia, especially India, the Pacific, as well as in Central Asia, the Middle East, Africa, Latin America and the Caribbean.

The Philippines' abiding interests in the regional and international arena and the global presence of Filipinos, who make vital contributions as health and medical professionals, domestic workers, seafarers, personnel in humanitarian operations, IT engineers, and lawyers, among others, underpin the Philippines' meaningful engagements worldwide.

Building bridges

Ladies and gentlemen, friends,

Our independent foreign policy is the fulcrum for the Philippines' role among nations that play an important role in preserving a global rules-based order as bridge-builders and brokers of effective international action.

The multiplicity of actors, hubs of influences and alliances, middle powers each with their weight and independent visions make it impossible to conjure a strictly bipolar world in the 21st century.

The Indo Pacific itself is an evolving and dynamic political construct and an aim for order that recognizes that multi-faceted interests, which are at play, even if there are asymmetries.

Amidst sharpening rivalries and polarities among major powers, middle powers can harness their distinct voice and shared interest to establish a gathering ground and common purpose to bring the interests of many to the table.

Unlike major powers, middle powers harbor no strategic desire to bend world affairs towards their directions.

In the UN, for example, there are constructive cross-regional collaborations that see middle powers at the forefront of forging consensus on a number of issues, such as arms control and disarmament, global humanitarian action and discussions in health security, migration, and human rights.

Middle powers operate with agency and on basis of common interests that breach traditional regional and ideological divides, and thus can redraw new spheres of confluence distinct from the competing visions of contending strategic rivals.

Because of this, middle powers stand in a pivotal place to shape a new age in global order that remains governed by the rule of law, but is far more attuned to the demands of equity and justice.

The Asia *Power Index* by the Lowy Institute and other indexes give due recognition to the Philippines in this regard, especially in terms of soft power assets.

Under the leadership of President Marcos, and with the independent foreign policy that draws guidance from the 1987 Constitution, the Philippines has much leverage to consolidate its place in the region and in the world.

While President Ferdinand Marcos Jr. has already laid out the broad strokes of his foreign policy early on in his Presidency, he has more than five years to steer the directions of the Philippines, our national agenda and the role we play as a responsible global citizen in the 21st century.

As the Foreign Affairs Secretary, it is my job not only to advise the President and aid him in carrying out his foreign policy thrusts and priorities, but also to implement his directions. Promoting our national interest, our voice, in the international stage is the day-to-day business of the Department with our 94 Foreign Service Posts consisting of our Embassies and Consulates General across the globe.

I invite think tank and academic communities, including this Foundation, to actively contribute to deep, insightful and far-seeing public discourse on foreign policy, as we navigate this transformational moment for the nation, for the region, and for the world.

Thank you very much for your attention.