

THE TEN COMMITMENTS OF THE PHILIPPINES LOGISTICS SERVICES SECTOR

Today, we -- members of the Philippine logistics services sector, composed of industry associations representing cargo handling, storage and warehousing, freight transport and customs brokerage services; and responsible agencies in the government sector -- gather at the first Logistics Services Philippines (LSPH) Conference and Exhibition on December 06-07, 2018.

We are here to recognize the logistics services sector's role as prime movers of the Philippine economy and to support the government's Inclusive, Innovation-Led, Industrial Strategy (i3s), which includes the transport, logistics and construction industries.

Together, we reaffirm the role of logistics services as one of the country's Key Employment Generating Sectors (KEGs) that will help create 7.5 million jobs and achieve full employment at 5% by 2022.

Together, we also reaffirm the need for collaboration between stakeholders in the public and private sector to ensure the development of the logistics services sector, so it may fulfill its role in economic development.

To this end, we shall together transform the logistics services sector in the Philippines as an efficient enabler of the manufacturing, agriculture and service industries.

We hereby reaffirm the following Ten Commitments:

- 1** We recognize supply chain management, particularly logistics, as a necessary component of any competitive business. We shall give priority to initiatives that will realize our vision of a "globally competitive logistics services sectors that enables business to provide its customers with the right product, at the right time, in the right price and quality, in a reliable manner".
- 2** We shall not make for ourselves any additional step that will be burdensome to businesses. We shall cut red tape and eliminate corrupt practices. We shall prioritize automation, streamlining and decentralization of the permit issuance process and reportorial requirements across government agencies that deal with trade facilitation, transport, logistics and supply chain.
- 3** We shall establish a platform for genuine dialogue between the public and private sector with the goal of realizing a globally competitive logistics services sector, ultimately leading to competitive supply chains and a competitive economy. Together, we will collaborate on policies and regulations that are responsive to current and future industry requirements, consistent with international standards and practices, and continually foster an environment of innovation.
- 4** We recognize the role that the logistics services sector plays in ensuring ease of doing business. We shall abide by the provisions of Republic Act 11032, also known as the Ease of Doing Business Act. Government agencies shall adhere to the standard processing times for issuance of permits and licenses. The private sector, on the other hand, shall strictly comply with full requirements, above board, and also monitor compliance among government agencies.
- 5** We shall encourage and develop government investment commitments, particularly in the supply chain and logistics services sectors, that will foster competitive business and improve quality of life in the Philippines.
- 6** We commit to finding long-term solutions that address problems that affect the logistics services sector's ability to enable business competitiveness. These include high shipping costs, unnecessary fees and charges, management of empty containers, and concerns raised by the trucking sector, among others.
- 7** We shall adopt a high standard of regulatory practices. To this end, we will a) avoid conflicting functions and interests within government agencies responsible for the logistics services sector; b) amend or repeal unreasonable and outdated laws that cause undue burden to the sector; and c) align domestic policies with international agreements.
- 8** We shall foster a culture of knowledge-sharing and benchmarking through the establishment of a Logistics Observatory. This will make available data, information and knowledge resources for use by all stakeholders, allowing for effective decision-making. Through the Observatory, the private sector can optimize transport and logistics costs through the help of quantitative data, resulting in improved competitiveness and further integration into global value chains. At the same time, government agencies can utilize the Observatory to inform policies affecting trade facilitation and supply chain competitiveness.
- 9** We shall continue to promote and encourage investments in infrastructure, in critical areas and strategic points in the country, both from the public and private sectors, that will further facilitate the logistics service sector's ability to serve its customers. This includes development of a holistic and responsive transport network serving land, sea and air; support for infrastructure such as container depots, storage facilities, and logistics hubs; and promotion of comprehensive ICT infrastructure systems that support the need for better visibility and trackability across the supply chain.
- 10** We shall develop a competitive and future-ready logistics workforce that will address the current and future needs of the logistics services sector. We will invest in the development of programs and policies that will allow those working in the sector to effectively fulfill their responsibilities to customers and stakeholders alike. We shall develop our people to be an indispensable tool for businesses both here and around the world. We shall also take the opportunity to increase awareness of the logistics service sector's role in economic development.

