

## **Press statement of Director General Adrian S. Cristobal Jr.**

We welcome the decision of the United States Trade Representative to remove the Philippines from the Special 301 Priority Watch List. We take this as a fair evaluation on the merits and a clear recognition that the Philippines is determined to eradicate piracy and counterfeiting in the country.

Upgrading the Philippines to the status of Ordinary Watch List effectively removes the threat of trade sanctions against us. The Philippines exports, duty free, close to US\$ 1 billion to the US annually under the General System of Preferences (GSP) Program. In 2004, our exports represented 55.6% of total Philippine exports to the US. The industries that would have been affected by a negative finding from the USTR are the following: electronics and electrical devices; food and agricultural products (raw and processed); furniture, handicrafts and wood products, jewelry and others.

Our removal from the PWL also bolsters our international reputation as an investment destination of choice in Asia and greatly enhances the government's investment promotion strategy, especially for the Information Communications Technology Sector, the copyright related industries (such as software development and animation industries), and the patent related industries ( pharmaceutical, technological, and the design industry – furniture, jewelry, garments, manufacturing), and the trademarks of businesses, especially SMEs, which constitute over 90% of businesses in the country.

Hence, irrespective of the outcome of the Special 301 process of the United States, strengthening the IP system in the country is a necessary condition to promote creativity and competitiveness to bolster the growth of Filipino businesses and industries, thus create jobs for Filipinos, and additional revenues for government for much needed social programs.

No less than the President is committed to protect and promote IPR to tap the creative genius of our people and use IP as a tool for national development. President Macapagal-Arroyo has designated the IP Philippines as the oversight agency for the national effort against piracy and to take the lead in formulating a national strategy for IP.

Looking forward, the government's anti-piracy and counterfeiting campaign will be further intensified by the joint actions of the different agencies and through public-private partnerships with all stakeholders. Enforcement will be sustained in notorious areas of piracy.

But, we will pursue an aggressive prosecution effort with the DOJ's special IP unit and designated IP prosecutors nationwide. We will continue working closely with the judiciary through the Supreme Court and the Philippine Judicial Academy for specialized training for judges and court personnel, and eventually, with the Court's approval, the creation of Special IP and International Trade Court, to ensure faster resolution of cases.

Moreover, enforcement and prosecution alone will not solve the piracy problem. We will embark on an aggressive public awareness and education campaign with the private sector, the government's information agencies, and the Department of Education.

Philippines is determined to eradicate piracy and counterfeiting in the country.