PRESIDENT FERDINAND ROMUALDEZ MARCOS JR.'s AND GERMAN CHANCELLOR OLAF SCHOLZ' REMARKS AT THE JOINT PRESS CONFERENCE

Berlin, Germany 12 March 2024

[00:00:00]

CHANCELLOR OLAF SCHOLZ: I'm pleased to welcome you here on your first visit as President of your country. For us it is extremely important to note that we had a very good exchange of views.

We were able to touch upon all the issues that are of relevance for both our countries but also for the relationship between Europe and the Indo-Pacific region per se. Germany aims to further broaden its commitment and engagement in the Indo-Pacific.

We aim to diversify our imports from other countries in the world and we want to make a contribution towards ensuring that we have as many partners as possible so as to avoid creating dependencies. And the Philippines is a very important partner for us in Southeast Asia.

We have a long tradition on which we can build, Mr. President. And we can look back to 70 years of a bilateral relationship and we aim to further deepen and expand that relationship. It is important for us that we make further headway in the economic sphere.

We have thus expanded our investment guarantees, which is also meant to attract and make it easier for German companies to invest in the Philippines. We cooperate very closely on the issues of raw materials, commodities, something that is very important for us because the Philippines happens to be home to many important minerals like nickel. And we would like to help the Philippines in better extracting and also processing these minerals.

We also believe that it is important that we have the necessary framework conditions. Free trade agreements play a part here. As you may know, Germany has always been strongly supporting free trade agreements and the freedom of trade and we aim to make further headway with regard to negotiating such an agreement and partnership with the Philippines, but also with all the member countries of ASEAN. We believe that that would be a major step forward and therefore it played an important part in our talks today.

The Philippines have a treasure of very well-skilled workers. This is also relevant for our health sector. As I reported to the President that as a lawyer, when I worked as a lawyer, I represented Philippine seafarers, seamen. So that, again, is a very important area of cooperation and we want to make progress in the future in that regard, too.

We want to expand our mobility partnership, our migration and mobility partnership and it is also our aim to do this in a very concrete fashion, to enshrine it, put it into the letter, so to speak and our federal employment agency plans a placement agreement with your country and its respective countercrime, so as to improve the framework for the cooperation that we aim to have in the future with your country.

Of course, we also touched upon the issue of climate protection. It's a central issue, especially with regard to the Philippines.

The Philippines is one of the countries that is amongst those hardest hit by the impact of climate change. It is therefore the — has been the policy of the Philippines to ensure that it is not as strongly affected as people may fear. So, cooperation on protecting us from the impact of climate is also an important priority.

It is important for all of us that we can make sure that the world adheres to certain rules, that it does not aim to change borders through the use of violence and that will guide our actions in the future too. I believe that both of our signed close agreement are very committed in that regard. This is especially true with respect to the questions that are very much at the top of our agenda these days.

When you look to the European region, Russia's attack on Ukraine has had an effect on the world at large. The economic impact is dramatic, but our position has been very clear: We have condemned Russia's war of aggression against Ukraine.

We believe it to constitute a terrible, a horrible violation of international law. Russia is trying to expand its territory through the use of violence and that is something that we cannot accept. It is a violation of territorial integrity, of the territorial integrity of Ukraine and I can only speak on behalf of my own government and country.

We will do whatever we can to support Ukraine in defending itself. We are already amongst those who provide the greatest support to Ukraine, not only in financial terms, but also by delivering weapons.

We also had a detailed exchange of views about the recent developments in the South China Sea. Here again, it is about adhering to international law, ensuring

the freedom of navigation and we are working to ensure that the UN Convention on the Law of the Sea is being adhered to by all its parties that have signed up to it. Peaceful development and the peaceful settlement of conflicts and disputes is important here. As early as in 2016, the Philippines have taken an important decision in that regard.

Generally speaking, we want to do whatever we can to help settle tensions or address tensions in a peaceful manner. The negotiations on a code of conduct for the South China Sea is therefore of the utmost importance.

ASEAN is a very important actor in the region. We are aware of the added value that the cooperation with ASEAN has in that regard.

We have set ourselves an ambitious agenda. We have been able to talk about very concrete projects today, and we are aiming to lay this down in a roadmap for the further development of our relations.

I, for one, would like to thank you, Mr. President, for your visit. It has been a very important signal for the friendship between Germany and the Philippines and the expansion of our relationship.

[00:06:26]

PRESIDENT FERDINAND R. MARCOS JR:

Thank you very much,

His Excellency, Chancellor Olaf Scholz.

I'd like to also greet the members of the German delegation and the delegation that has accompanied me here. Good afternoon.

First and foremost, I would like to express my appreciation to the Chancellor for the gracious invitation for me to visit Germany. I am very pleased as Germany is a very important partner to the Philippines.

And I am honored that this visit coincides with the 70th anniversary of diplomatic ties between the Philippines and Germany, which were established in October of 1954. I look forward to the commemorative activities to be undertaken here in Germany and in the Philippines in the coming months.

My meeting with Chancellor Scholz was productive and insightful. We discussed the importance of advancing peace and development in the Philippines. As likeminded partners, we reaffirmed our commitment to promoting the rules-based international order, extending our commitment beyond our own regions to contribute to the broader global community.

On defense cooperation, Germany has been providing training to the personnel of the Armed Forces of the Philippines since 1974, making Germany the second

oldest formal defense partner of the Philippines. And I expressed the Philippine government's openness to discussions on cooperation that go beyond training and into new areas such as cyber and maritime domains.

I also expressed our appreciation for Germany's continuous support for the capacity-building of the Philippine Coast Guard.

Before my arrival to Germany, the Joint Declaration of Intent on Strengthening Cooperation in the Maritime Sector between our countries' transport agencies was already signed.

I am heartened by Germany's increased interest in enhancing maritime cooperation between our two countries and I welcome more initiatives to enrich this relationship.

We also discussed ways to enhance trade and investment. Germany was the Philippines' 11th trading partner in 2023 and has been a major source of foreign direct investment. We welcome the presence of notable German companies to our country that have been there for a while such as Siemens, Lufthansa, Deutsche Bank, Bayer, Bosch, amongst others.

I underlined the Philippines' strong economic outlook—with a GDP growth of 5.6% in the last year, outpacing some other economies in our region.

Our economic dynamism is driven by strong domestic consumption, supported by a diverse labor market, a growing services industry and remittances from our overseas workers.

Investing in the Philippines is now a more attractive option given the legal reforms that allow full foreign ownership on certain sectors such as railways, airports, expressways, telecommunications and renewable energy.

We continue to find ways to build upon our already strong economic collaboration, taking it to new heights. The Philippines would like to cooperate in the areas of manufacturing, construction and infrastructure, IT-BPM innovation and startups, as well as renewable energy and minerals processing.

Climate change and cooperation between countries is also a significant facet of the partnership between the Philippines and of Germany. I thank Germany for its leadership and commitment in the field of Climate Finance and its strong support for the Loss and Damage Fund, created at the 28th United Nations Climate Change Conference (COP28) in Dubai last year. I conveyed the Philippines' bid to host the Loss and Damage Fund Bank in the Philippines.

We also recognized the important contribution of Filipino healthcare workers and the other Overseas Filipino Workers to the culture and to the economy of Germany.

Noting Germany's interest in expanded labor cooperation to include other Filipino skilled workers and professionals, the Philippines reaffirms our commitment to ensure the protection of the rights and welfare of Filipinos around the world.

Towards this end, our countries have signed the renewal of the Cooperation Programme between the Technical Education and Skills Development Authority and the Federal Institute for Vocational Education and Training during my visit here in Germany.

Both sides are also working towards the conclusion of the Memorandum of Agreement on the Placement of Skilled Workers and other Professionals. We will continue to work on other agreements across various areas of cooperation and look forward to their conclusion in the near future.

On regional and international matters, I thanked Chancellor Scholz for Germany's staunch support for international law, including the 1982 UNCLOS. Our shared commitment to international law strengthens our partnership and creates a favorable atmosphere for working together on global issues.

I reiterated that the Philippines remains committed to addressing issues through dialogue and consultation, yet the Philippines, like any sovereign state, will continue to firmly defend its sovereignty, its sovereign rights and jurisdiction, in accordance with international law.

On Ukraine, I assured Chancellor Scholz of the Philippines' continued support. We reiterate our call on concerned parties to seek a peaceful and diplomatic resolution to the conflict, recalling the 1982 Manila Declaration on the Peaceful Settlement of International Disputes, which reaffirms the principle that all States shall settle their disputes by peaceful means.

On the Middle East, I highlighted the Philippine government's concern over the two million Filipinos present in the region. The Philippines continues to urge all parties to exert restraint to prevent escalation and to work towards a peaceful resolution of the conflict.

It was indeed a fruitful and enriching discussion with you, Chancellor Scholz. I wish to express my heartfelt appreciation to the government of Germany and the German people for their gracious hospitality extended to me and the entire Philippine delegation.

I eagerly anticipate the continuation of our strong partnership for another 70 years or more. With confidence, I believe we can deepen our relationship and collaborate for the mutual prosperity of both our countries.

Thank you.

[00:13:55]

[00:14:06]

MODERATOR: The first question please.

FILIPINO REPORTER: President and Mr. Chancellor, German Foreign Minister Annalena Baerbock earlier said that the Philippines and Germany have agreed to boost its maritime cooperation in the South China Sea.

What assistance is Germany offering to the Philippines to help us defend against China's aggression in the West Philippine Sea?

Thank you.

CHANCELLOR OLAF SCHOLZ: As I said earlier, respect for international law is of the greatest importance to us. And this is, of course, equally true. I will repeat what I said.

As I said earlier, respect for international law is of the greatest importance to us, and the same is true for the laws, international law, that govern international navigation. We have the UN Convention on the Law of the Seas. We've got an arbitral tribunal, which happens to have its sea in my hometown, Hamburg, that is, and important judgments have been passed over the course of the year.

I believe it to be very important that each and every one adheres to the legislation in place. We've talked about this today, as I said, and I made it clear that we support the Philippines in ensuring that the rights are being protected.

GERMAN REPORTER: A question to the President of the Philippines in the South China Sea, also regarding the South China Sea.

China has submitted new proposals aimed at avoiding a conflict. Your government has expressed its skepticism and rejection. Could you perhaps explain to us what your criticism is of these proposals submitted by China?

Chancellor, as regards Ukraine, we have received different statements with regard to the conflict from the members of the European Union. I'm not talking about the ground conflict. The Hungarian President, after having met Mr. Trump, made it clear that Trump, would be become President, were to say no more penny was to go into Ukraine. And he also warns that the member states of NATO increase their contribution to NATO on defense to 3%.

So, what could you say with regard to these two proposals, no more funds to Ukraine, no more financial support to Ukraine?

PRESIDENT FERDINAND R. MARCOS JR.: It is not really for me to comment on what might be the results of the upcoming Presidential election in the United States and the policies that the new President or the re-elected President will undertake.

But we, of course, watch with great interest and we relate all those policies towards, for example, NATO to the situation back home, back in our region in the Indo-Pacific.

On the first part of the question, we have not rejected any proposals that China has made to us. But the premise is something that we question. And that premise that China has made is that their territory follows what is now described as a 10-dash-line. This is not recognized by any country, any international body, certainly not by the Philippines. Our baselines have been well established for years now. We have the economic zone that China has already intruded upon.

And until that premise that China has made in terms of all its discussions with the Philippines, then it's very difficult to see a way forward because it is, for myself, for example, as I always explain, when I took office, I took an oath to defend and support the Constitution of the Philippines.

The first article of the Constitution of the Philippines is the article that describes and defines the territorial area, maritime and land-based territory of the Philippines. And it is my duty, I have no choice, but to defend that. And we will continue to do that.

CHANCELLOR SCHOLZ: The European Union has taken decisions to provide substantial financial support to Ukraine. We have agreed on a multiannual financial planning that includes budgetary support and that will cover the next two years, which constitutes a substantial contribution towards stabilizing Ukraine, its government activity and the economic development of the country.

In addition, it is clear for all of us that we also have to assist Ukraine by providing weapons. You may be aware of the fact that Germany has earmarked more than 7 billion euros in that regard.

And all the pledges we've made so far, starting with what we've already delivered since the war broke out and what we've pledged for the future, this amounts to 28 billion euros, almost 30 billion dollars.

My position is that we have to continue to support Ukraine. And I'm talking not only Germany here, but I'm talking of all the members of the European Union. We have to be at the side as long as it takes for Ukraine to be able to defend itself. And I'm sure and confident that that is also going to be the position of the European Union in all the upcoming decisions. When I think back to the decision we took last year and the decision we took at the beginning of this year, the likelihood that we will be able to reach agreement on this in that regard is quite obvious.

Generally speaking, I express my general commitment to the obligations we entered into. Two percent of our economic output is to go into defense. And for us to be able to achieve that massive increase, Germany set up a special fund. And roughly, 80 percent of that fund is already earmarked for projects and expenditure. And we will also have reached 100 percent by the end of the year. This has to be funded from our budget, despite the fact that this is a major challenge.

I am happy to note that almost all European partners that happen to be members of NATO are aiming to achieve a similar — in a similar vein this objective. This constitutes major progress, I believe.

FILIPINO REPORTER: Good afternoon, Mr. President and Mr. Chancellor.

The two transportation agencies of both Germany and the Philippines signed the Joint Declaration of Intent to strengthen cooperation in the maritime sector. I have two questions related to this.

First, what forms of cooperation do we expect from this agreement?

And what specific outcome does Germany and the Philippines expect or have in mind in facilitating maritime trade and mobility?

Thank you.

CHANCELLOR SCHOLZ: Germany is a country that owes a large part of its economic upswing of the past two years to the fact that we have been able to recruit and attract professionals from all over the world and that they have done their bit to ensure that the tasks that have to be addressed in this country are actually addressed.

Amongst those countries that are home to many of the professional workers who have come here is the Philippines and we want to ensure that the framework conditions are improved further. We are working with the Philippines in an area that is of great importance and characteristic for the German area.

We aim to enhance our cooperation here in the field of vocational training. German vocational training is something that is of the greatest importance for the quality of the work that is provided. Yes, those who are being educated, we have students that have studied at German universities, but we excel especially because of our vocational education and training.

So, this is a good area for cooperation between the Philippines and Germany, and I believe it is important that we also focus on this area of vocational education and training and that we continue to cooperate closely in this sector because I believe that that will enhance the opportunities of workers from the Philippines who set out to work abroad, to live abroad and to engage there.

The legislation that we have just passed lay the foundation and make it a lot easier for people to have access to the German labor market. I believe it to be probably the most advanced and modern legislation in that regard.

We know that our prosperity and growth depends on professional workers from outside, and we want to create favourable conditions for them here. We aim to enhance our cooperation and improve our cooperation here. We have a great interest in seeing this come about. It is something that is befitting our time, the fact that the world is growing together as a consequence of globalization.

PRESIDENT MARCOS JR.: To begin my answer in a more detailed way, I will give you a more detailed answer on the maritime cooperation.

We already have had many exchanges with Germany in terms of training for our armed forces and of course the Coast Guard as well and that we have agreed with the Chancellor to expand that because really it has to be recognized that the South China Sea handles 60% of the trade of the entire world.

So it is not solely the interest of the Philippines or of ASEAN or of Indo-Pacific region, but the entire world and that is why it is in all our interest to keep it as a safe passage for all international commerce that goes on in the South China Sea.

And on a more general aspect, certainly the Philippines is looking to transform its economy. That transformation can only occur when our workforce is — I think the buzzwords that everybody uses now is upskill and re-skill.

And we look to Germany for much of that training, especially since we are very much immersed now in the digital space and the high technology requirements for the workforce. The training for high technology jobs in the workforce is something that will be necessary to keep our economy thriving and again, that is the area that we are hoping.

As I said, we have agreed on the exchanges between our TESDA or the technical educational system and the German Institute for Vocational Training, so that we hope will be a continuing effort and that will be, I believe, an advantage to the Philippines because our workforce will be better trained and it will be an advantage to Germany because we will now have a workforce that can contribute to the German economy as well.

GERMAN REPORTER: Thank you, Chancellor.

You plan to visit China in spring, your second trip to China. What are your expectations? The last time you visited China, the Ukraine conflict was one of the focus areas of your visit. Do you have the hope, the expectation that China will be in a position to influence President Putin with regard to this conflict?

And President Marcos, what are your expectations or wishes to the Chancellor with regard to his upcoming trip to China?

And the second question, if I may, regarding the cooperation in the defense area. You mentioned the training of the armed forces. Did you also speak about concrete arms projects? Did you express or address concrete wishes to the German side in that regard?

PRESIDENT MARCOS JR.: Second part of the question. First, we did discuss the training, but we have not gone into the detail as to the procurement because the Philippines has just finished making its plans for the next stage of procurement for the armed forces. And once that is finalized and I think that we will then be ready to offer that procurement schedule to Germany and to other countries. And hopefully we will find ways to help one another.

As to the upcoming visits of the Chancellor, well, we can only wish that he is successful. We all would like to have a more peaceful situation, certainly in the Ukraine, but also in the South China Sea. Although it is not in the South China

Sea, it is not outright war. What we are worried about are the increasing tensions that are happening.

Ukraine, of course, is a continuing challenge that the whole world faces. It is not—the interconnection of the global economy is such that—such an occurrence, such a conflict, no matter how far away from the Philippines, does affect still the Philippines and the region. And so we hope for a good result for Chancellor Scholz' visit.

CHANCELLOR SCHOLZ: Of course, the visit, as is the long tradition of such visits of my predecessors and the predecessors on the China side, will take place along the lines of those visits. We will pass and review the situation in the world, economic issues that are bilateral but also economic issues that are international in nature.

We will touch upon issues of resilience because that is important to us too, especially because Germany does a lot to ensure that it is active and representative in many parts of the world and that it has economic ties with as many countries in the world as possible, which we aim to further expand.

Of course, regarding the dramatic issues of peace and war in the world, we talked about that during my last visit. Ukraine, you mentioned it. We will undoubtedly talk about this during my upcoming visit. We talked about the situation in the Indo-Pacific, the South China Sea, Taiwan Strait, all the things that play a part here and we will undoubtedly talk about that. It would be peculiar if we were not to do so.

Thank you for your attention. [00:30:26]
