



CITY COUNCIL

CITY AND COUNTY OF HONOLULU
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December 21, 2009

Memorandum

TO: Councilmember Todd Apo, Chair
FROM: Councilmember Romy M. Cachola
SUBJECT: Philippine Trade Mission 2009
November 14-21, 2009

Councilmember Nestor Garcia and I were invited to join the Filipino Chamber of Commerce of Hawaii (PCCH) for its 21st Annual Trade Mission to the Philippines. The first half of the trade mission, which was attended by the Mayor, Councilmember Garcia and others, focused on business opportunities in Cebu and the Southern Philippines. I joined the trade mission during the latter half when PCCH members met in Subic Bay-Olongapo City, Baguio City and the northern part of the Philippines.

Prior to the trade mission, the PCCH held several business development workshops in Honolulu sponsored by the City's Office of Economic Development that were aimed at helping local entrepreneurs develop investment ideas and learn about business opportunities in the Philippines. The Philippines is a largely untapped source of potential business opportunities and partnerships. Tapping into this source makes perfect sense for many local businesses, given Hawaii's large Filipino community which retains closed family and business ties with the Philippines, and a strong U.S. influence that permeates much of everyday life in the Philippines.

In general, the 2009 Trade Mission focused on real estate investments, international banking and finance, Philippine outsourcing opportunities; the development of new markets especially in the areas of architecture, engineering, and environmental consulting, and the identification of products and services that can be exported to Hawaii.

My goals as a member of the Honolulu City Council during the trade mission included the following:

- Promoting Hawaii's professional services in planning, architecture, engineering and others;
- Assisting in strengthening already-established relationships with Honolulu's sister cities;
- Promoting the City & County of Honolulu's solid waste disposal efforts, particularly in regards to solid-waste-to-energy conversion.

November 16, 2009

The main workshop scheduled by the Filipino Chamber of Commerce of Hawaii was held on Monday, November 16, 2009 during a business meeting and luncheon at the Subic Bay Freeport Zone in the Southern Philippines. The luncheon was hosted by the Subic Bay Metropolitan Authority, the City Government of Olongapo and the Metro Olongapo Chamber of Commerce. I was invited to speak on the topic "Developing Policies to Encourage Trade and Tourism."

I began by stating to the audience that Sister-State and Sister-City Relationships are the fundamental basis upon which closer economic, business and cultural exchange between two foreign states and cities can be promoted. Such relationships are an ideal way to encourage trade as well as to establish closer ties between foreign governments and government agencies and non-governmental organizations.

We already have the following Hawaii-Philippine Sister State Relationships:

- Ilocos Sur
- Cebu
- Pangasinan
- Ilocos Norte
- Isabela Province

... as well as the following Sister City Relationships:

- Laoag City
- Manila
- Cebu City
- Puerto Princesa
- Vigan

I truly believe that Hawaii businesses have gained much from these relationships over the years. These relationships have enabled local entrepreneurs to capitalize on the large, emerging market in the Philippines.

Next, I spoke on the Five Economic Drivers For Hawaii—sometimes referred to as the "3 E's, T and M." The first two E's are "Energy" and the "Environment" which have recently begun to take root. They are relatively new industries but the potential exists for future jobs and revenue growth. The next E is "Education" particularly ESL (English as a Second Language), international business, professional advancement training, and others. The "T" stands for "tourism" and "M" for "military"—two industries that account for much of our state's revenues.



With attendees at the Olongapo Chamber of Commerce workshop

I stressed the importance of offsetting periodic dips in Hawaii's economy with innovative strategies, such as marketing and promotion of sports events (i.e. the Honolulu Marathon, NFL Pro Bowl and PGA tournaments) that bring top dollars and visitors to Hawaii. Hawaii has also capitalized on its "Tourism Clearinghouse" program—a program that I introduced and passed back when I was a member of the Hawaii State House of Representatives. The Tourism Clearinghouse exports our professionals—architects, engineers, planners, etc.—to the world, particularly to developing nations. The University of Hawaii's School of Travel Industry Management (TIM) is still training our leaders and managers for this very important function.

Another important factor that helps to offset economic dips is the Hawaii Convention Center, which has the capacity to accommodate large, offshore conventions, meetings and other events. I stressed the importance of these conventions that draw upwards of 30,000 participants from around the world. A single convention can and has generated over \$100 million for Hawaii's economy. These events are a shot in the arm for Hawaii's economy.

November 17, 2009

The following day, we departed for Baguio, the summer capital of the Philippines where our trade mission delegation toured the city and paid a courtesy visit to the office of Mayor Reinaldo Bautista, Jr. We also met other Baguio government officials and reaffirmed Honolulu's Sister City Ties with Baguio City in simple ceremonies attended by the entire FCCH delegation. We later attended a joint business workshop and dinner hosted by the Hawaii Filipino Chamber of Commerce. During our time in Baguio, I personally spoke with several tourism and travel officials in Baguio and promoted Honolulu as an ideal location to do business as well as to visit.



Exchanging lapel pins with Baguio Mayor



Mayor Bautista presents a special Reinaldo Bautista, Jr. commemorative book to Manny Lanueva and me



Reading a proclamation from the City of Honolulu to the mayor of Baguio City

One of the major problems Baguio officials are wrestling with is solid waste disposal. Currently, the city hauls its trash to the lower lands but is spending too much to do so. Baguio officials are pursuing the establishment of a materials recovery facility as their priority long-term waste management solution. They plan to construct a covered court-style structure and set up two machines that process 50 tons of wastes each every eight hours. I and Manny Lanuevo, deputy director for the City's Department of Environmental Services, informed Baguio officials how the City & County of Honolulu has successfully dealt with our own solid waste disposal problems.

November 20, 2009

A few days later, I had the opportunity to ride Manila's Metro Rail Transit System, or the MRT. The MRT is operated by the Metro Rail Transit Corporation, a private company operating in partnership with the Philippine Dept. of Transportation & Communications under a Build-Lease-Transfer agreement. My observations were that the MRT has been only partially successfully decongesting EDSA Boulevard, one of Manila's main thoroughfares. I noticed that commuters who ride the MRT also take road-based public transport, such as buses and *jeepneys* (the average citizen's means of transportation), to reach their intended destinations from an MRT station. Overall, the MRT's success is limited by the rising number of motor vehicles in metro Manila.

I was able to also inspect the new Metro Manila Skyway, which is an elevated toll road above the South Luzon Expressway. The Skyway is part of a 30-mile long electronic toll collection system operated by the Citra Metro Manila Tollway Corporation. The basic fees, which go higher depending on length of travel, are as follows:

- Class 1 (cars, motorcycles, SUVs, Jeepneys): 88 pesos
- Class 2 (buses, light trucks): 192 pesos
- Class 3 (heavy trucks): 241

The Skyway itself is about 10 km long with 7 exits and 2 toll plazas. Officials are looking to expand the Skyway with a Phase 2. For one reason or another, Filipinos have not taken to the Skyway as hoped and traffic through Metro Manila remains quite congested. It's a known fact that the passenger *jeepneys* almost never use the elevated toll roads and/or Skyway in order to save money. In addition, *jeepneys* also have their own established routes through select areas of the city.

Conclusion

The Filipino Chamber of Commerce of Hawaii's 21st Annual Trade Mission to the Philippines was helpful in that I was able to help strengthen Sister City bonds between Baguio City and Honolulu. In addition, I was able to observe how toll roads in the Philippines operate and how transportation officials are still working to optimize their system.

I was also able to assist Manny Lanuevo, deputy director for the City's Department of Environmental Services, in promoting Honolulu's solid waste to energy system and imparting the City's successes. Hopefully, Subic Bay-Olongapo City and Baguio City will tap into Honolulu's professionals in addressing their waste-to-energy needs.

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City Council
City and County of Honolulu

CLAIM FOR TRAVEL REIMBURSEMENT

Date: January 6 2010

Traveler: Romy Cachola

Event: Philippines Trade Mission to Manila, ~~Cebu~~, Olongapo and Baguio

Location: Manila, ~~Cebu~~, Olongapo and Baguio, Philippines

Dates: From November 14, 2009 To November 21, 2009

Description	Amount	Notes
1. Registration Fee	\$300.00	Trade mission fee receipt attached
2. Airfare	\$520.00	DR. 11/13/09 RT. 11/23/09
3. Hotel	\$320.00	
4. Meals	\$210.87	Receipts attached
5. Ground Transportation	\$288.87	Receipts attached
6. Tips	\$122.62	Receipts and tally tap attached
7. Other	\$47.04	Photo fee receipt attached
Other	\$19.00	Lounge fee receipt attached
Other	\$16.00	Departure fee receipt attached
8. Adjustment		
TOTAL REIMBURSEMENT	\$1,844.40	

This is to certify that the above data, based upon receipts submitted to Council Administrative Support Services via a CCLTRVL02 form, is accurate. Further, I am claiming reimbursement for expenses associated with a trip in which City business was conducted and personal funds were used to advance payment:



Signature of Traveler

JAN 08 2010

Date