

worked on together are things that fight poverty and, incidentally, fight terrorism. But even if there were no terrorism, they certainly fight poverty and are—do the better for our country.

For instance, the GSP privileges that we've been able to enjoy. Since my last visit with President Bush, we've been able to have—we've been able to enjoy about a billion dollars a year, and again, reinforced now, in GSP privileges. And if we get to include things like carrageenan in the GSP list, as we are negotiating now, that's going to give a lot of work to all those people in the coastal areas of Mindanao, especially the areas which I said are the poorest provinces in our country.

And then another example of getting together in the fight against poverty is working also on investments. And one of the things that we talked about is—and one of the things that we'll be getting together on would be more insurance, OPIC insurance for U.S. investments in the Philippines. So that's going to create more jobs.

And President Bush talked about the remittances of our OFWs. I hope that in

3 to 6 months a study can be done and our OFWs can be—our overseas Filipinos can begin to send the remittances with these reduced costs. And based on the Mexican experience, the costs can go down by as much as \$300 million a year. And that's going to provide a lot of income to the Filipinos back home, and the commensurate jobs that they can provide.

So all of these things are important in themselves. And incidentally, they also help us to fight poverty—poverty and terrorism at the same time.

President Bush. Thank you all very much.

NOTE: The President's news conference began at 11:45 a.m. in the East Room at the White House. In his remarks, he referred to Prime Minister Ariel Sharon of Israel; Jose de Venecia, Jr., Speaker of the Philippines House of Representatives; and Franklin M. Drilon, President, Senate of the Philippines. A reporter referred to Prime Minister Mahmoud Abbas (Abu Mazen) of the Palestinian Authority.

Joint Statement Between the United States of America and the Republic of the Philippines

May 19, 2003

President George W. Bush today welcomed President Gloria Macapagal-Arroyo to the White House on the occasion of her State visit to Washington. The two leaders discussed the full range of global and bilateral issues and reaffirmed the depth and breadth of ties between the United States and the Republic of the Philippines. The Presidents agreed that relations are deeper and warmer today than at any time in recent history and noted that those ties are rooted in shared history, shared values, and a common interest in global peace and prosperity. President Bush

and President Macapagal-Arroyo paid tribute to a revitalized and maturing bilateral alliance and pledged to strengthen the partnership further in the years ahead.

The two leaders noted with satisfaction that the U.S.-Philippine alliance continues to play a vital role in ensuring mutual security, as it has since the signing of the U.S.-Philippine Mutual Defense Treaty over 50 years ago. In recognition of this proud history and continued partnership, the President announced his intention to designate the Philippines as a Major Non NATO Ally (MNNA). This step will allow the two

countries to work together on military research and development and give the Philippines greater access to American defense equipment and supplies. President Bush thanked President Macapagal-Arroyo for her strong and unequivocal support in the Iraq campaign and expressed appreciation for the Philippine government's plans to deploy peacekeeping and medical personnel to assist in Iraq's reconstruction. The two Presidents reaffirmed their shared commitment to a free Iraq at peace with its neighbors. The two leaders also agreed that North Korea's nuclear weapons program is unacceptable and stressed that North Korea's relations with the Asia-Pacific region hinge on the verifiable and irreversible elimination of nuclear weapons capability.

President Macapagal-Arroyo expressed the view that the world had changed on September 11, 2001 and that conflict in Iraq had been another milestone in the war on terror. She noted that across Asia, there is a growing capability and readiness to cooperate on maintaining peace and stability in this new environment, and emphasized that the United States' leadership and strategic presence in the region are essential for the continuation of this positive trend. President Bush welcomed this perspective and reiterated that Asia remains a major focus of U.S. foreign policy.

President Bush praised President Macapagal-Arroyo's leadership and strength in confronting terrorism in the Philippines and beyond and reaffirmed the U.S. commitment to support Philippine efforts to defeat terror in all its forms. The two leaders reviewed recent progress in the war on terror but agreed that this effort is far from over, as demonstrated by the May 12 terrorist attack in Riyadh, in which both American and Philippine citizens were killed and wounded. President Arroyo welcomed the additional counterterrorism security assistance for the Philippines in the fiscal year 2003 supplemental budget. President Bush emphasized that the United States would continue to provide significant

security assistance, training, equipment, and law enforcement assistance to support the Philippines in the war on terror, as appropriate.

Recalling last year's highly successful deployment of U.S. troops to the southern Philippines, the two leaders noted with satisfaction that the terrorist Abu Sayyaf Group (ASG) had been driven substantially from the island of Basilan, enabling the restoration of peace and order. The two Presidents reaffirmed their commitment to destroy the ASG once and for all. Toward that end, President Bush and President Macapagal-Arroyo agreed to hold another joint military activity in the near term, in which the United States will provide support to ongoing Armed Forces of the Philippines-led operations against the ASG.

The two leaders agreed on the need for a comprehensive approach to defeating terrorism in Southeast Asia, recognizing that terrorism knows no borders. The Presidents agreed on the need for efforts to alleviate poverty and other socio-economic grievances which can create conditions that can be exploited by terrorists. President Arroyo expressed appreciation for increased U.S. economic and development assistance to the southern Philippines, which reinforces the Philippine Government's own efforts to heal divisions in Philippine society. To advance this agenda, President Bush informed President Macapagal-Arroyo that the United States will train and equip a Philippine engineering unit capable of performing civic action and humanitarian projects in conflict zones.

President Bush condemned recent terrorist acts in the southern Philippines. President Arroyo appreciated the economic assistance recently allocated by the United States Congress to support peace in Mindanao. President Bush stated that the United States stands ready to provide diplomatic and financial support to a renewed peace process with the Moro Islamic Liberation Front (MILF), provided that the MILF renounced terror.

The two Presidents agreed that the U.S.-Philippine security partnership has never been healthier and emphasized the importance of U.S. support for continuing efforts to improve the capabilities of the Armed Forces of the Philippines (AFP). Toward that end, the two Presidents agreed to launch a comprehensive review of Philippine security needs and how best the United States can support President Macapagal-Arroyo's plans to modernize and reform the AFP. President Bush committed to help address the AFP's most pressing needs, particularly in the area of mobility, by providing helicopters and spare parts. President Macapagal-Arroyo thanked President Bush for his promise of assistance and pledged her government's full support for, and participation in, the more comprehensive review.

The two Presidents expressed great pride in the robust economic and trade ties that bind the United States and the Philippines, as evidenced by annual bilateral trade exceeding \$18 billion and cumulative direct private investment of \$3.5 billion. The leaders reviewed progress in implementing President Bush's Enterprise for ASEAN Initiative, which is aimed at generating sustained economic growth in Southeast Asia. They welcomed the revival of the bilateral Trade and Investment Framework Agreement and agreed to resolve issues identified in its Trade and Investment Council consultations. President Arroyo welcomed the U.S. decision to provide tariff-free Generalized System of Preferences (GSP) benefits to specific products requested by the Philippines and the offer of additional technical and capacity building assistance on the protection of intellectual property rights.

President Bush commended President Macapagal-Arroyo for her steadfast leadership in pursuing needed economic reforms in the Philippines, noting in particular her "Strong Republic" agenda aimed at rooting out corruption, expanding economic opportunity, and alleviating poverty. President Bush welcomed President Arroyo's deter-

mination to pursue reforms in revenue collection, energy privatization, and intellectual property rights protection. They further noted their shared hope that current and continuing reforms will strengthen the Philippines' eligibility for participation in the President's Millennium Challenge Account (MCA) in the future.

The two Presidents highlighted the remarkable contributions of Filipinos and Filipino-Americans to American economic life. Recognizing the important role that the over 7 million overseas Filipino workers play in the Philippine and global economies, President Bush announced that the United States is launching a project to facilitate the flow of remittances from Filipino workers around the world back to the Philippines. The two leaders agreed that this project would improve the lives of millions of Filipinos by lowering the costs of remittance transactions and making it easier for funds to flow to the Philippines from the United States and around the world.

The two Presidents reviewed with pride the contributions made by Philippine World War II veterans who gave so much in defense of freedom. President Bush announced his intention to support legislation extending new benefits for Commonwealth Army veterans and guerrillas who lawfully reside in the United States. He also announced continuing efforts to improve medical care for Filipinos veterans in the Philippines by providing medical equipment to the Veterans Memorial Medical Center in Quezon City in the 2004 fiscal year.

Presidents Bush and Macapagal-Arroyo looked forward to the May 20 signing by Secretaries Powell and Ople of agreements on assistance for Mindanao, law enforcement cooperation, and science and technology cooperation, noting that cooperation in these three areas is a priority for both countries.

President Bush was pleased to accept President Macapagal-Arroyo's invitation to pay a reciprocal visit to the Philippines when he travels to Southeast Asia for

APEC in 2003. The two leaders agreed that to maintain momentum in the bilateral relationship, other senior U.S. officials will travel to Manila in the coming months, beginning soon with Secretary of Energy Abraham and continuing thereafter with senior officials from the Department of

Treasury and the Agency for International Development (AID).

NOTE: An original was not available for verification of the content of this joint statement.

Remarks at a State Dinner Honoring President Gloria Macapagal-Arroyo of the Philippines *May 19, 2003*

Welcome. Madam President, Attorney Arroyo, it is a high honor for Laura and me to welcome you and host you at the White House. Madam President, I know you attended college here in Washington, so perhaps I ought to say welcome back or, as they say at Georgetown, Hoya Saxa. [*Laughter*]

With your visit, the Philippines and the United States affirm our strong friendship, our common commitment to fighting terror, and our shared determination to promote freedom.

Our nations are natural partners. We are connected by an ocean, united by a shared history, and sustained by the bonds of family and culture. More than 2 million Americans have family ties to the Philippines. And some are with us tonight, and you're welcome. Filipino Americans strengthen America's culture, our economy, and our Government. And we are privileged that they call this country their home.

The United States and the Philippines are also joined by common values, especially the value of human freedom. And when freedom comes under attack, our countries respond.

Madam President, you've been a fierce fighter of terrorism in your own country. You've earned the respect of the American people for your resolve. And after September the 11th, you were one of the first leaders to contact me and express your

strong support for the war against terror, and you have not wavered.

The President was also a strong and persuasive voice on the need to disarm Saddam Hussein and to liberate the Iraqi people.

Madam President, for your leadership and for your friendship, I thank you.

Seventeen years ago, the Filipino people restored their nation's democratic tradition and inspired lovers of freedom across the globe. In the years since, the Philippines has emerged as a stronger and more confident nation. The Philippines is building its prosperity on the foundation of markets and building its future on a foundation of democracy. These commitments are opening new opportunities for the Filipino people and setting a hopeful example for other nations traveling the road to freedom.

President Arroyo is playing a large role in her nation's success. Her bold and determined leadership has opened a new chapter in the friendship between our countries and is responsible for revitalizing our strong alliance.

In his last poem, Jose Rizal, one of the founders of the Filipino independence, referred to his native land as the "Pearl of the Orient Seas." More than a century later, this "pearl" is admired the world over for its beauty, its progress, and its wonderful people.