

## **DOMESTICALLY PROHIBITED GOODS**

### **THE PHILIPPINE EXPERIENCE**

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#### *Summary*

The Philippines is one of the developing countries of the world that experienced the severe impact of industrial activities on all components of its natural environment. Among the countries in Southeast Asia, it is ahead in the institution of laws, rules and measures on chemicals, chemical substances and nuclear wastes, collectively known as domestically prohibited goods (DPGs). It also took a more active part in bilateral and multilateral international agreements, cooperations and membership in international organizations pursuing a cleaner and safer world.

#### **I. Legislation established in the Philippines are the following :**

1. To contain the aggravations in the local environment as well as public health and safety, effectively managing the importation, manufacturing, processing, handling, storage, use and disposal of **chemical substances and mixtures** in the country, including their entry, even in transit is the responsibility of the Department of Environment and Natural Resources. Other tasks include:
  - *compile and update* an inventory of chemicals and chemical substances manufactured or transported in the country and the country's inventory list is known as the Philippine Inventory of Chemicals and Chemical Substances (PICCS) which covers 24,000 chemicals and chemical substances available in Philippine commerce.
  - *monitors and regulates* the importation, manufacture, transportation and distribution of chemicals and chemical substances that present unreasonable risk or injury to health or to

the environment in accordance with national policies and international commitments.

- *establishment* of the Philippine Priority Chemicals List (PCL) where the set of criteria used is based on those used by industrialized nations, such as Australia, Japan, Canada and the United States.
- *determines* each year the chemicals to be regulated, controlled or phased-out.

2. Relative to **pesticides**, the Fertilizer and Pesticide Authority (FPA)

- *determines* the specific or manner of use of pesticides or pesticide formulations, enforces tolerance levels and good agricultural practices,
- *restricts or bans* the use of the same upon evidence that it is an imminent hazard or will cause serious damage to crops, fish or livestock or even to public health and the environment.

Due to an effective awareness program of the dangers posed by pesticides, the Philippine experience shows a drastic reduction in the importation of pesticides for the period from 1996 to 1998.

3. Relative to **waste management and disposal of toxic, hazardous substances and nuclear wastes**, The DENR collects data on waste generation & integrates data from industries into the hazardous wastes tracking database

Uses: monitoring and enforcement; reclassification and development of analysis for purposes of national planning, monitoring and adjustment of relevant programs.

To mitigate and/or combat spills and accidents, DENR requires a comprehensive contingency plan, demonstration of financial responsibility, as well as, training programs for premises that handle hazardous wastes per generator category.

4. The Dangerous Drugs Board is the highest policy-making, coordinating arm and national clearing house on all matters pertaining

to law enforcement and control of **dangerous drugs**. It establishes control measures for importers, distributors and wholesalers of dangerous drugs, as well as, the criteria for classifying and declassifying substances and drug preparations as dangerous drugs.

5. The Department of Health establishes standards, and quality measures for **food, drugs, devises and cosmetics** to ensure pure and safe supply and rational use of the same.
6. The Bureau of Product Standards issues import commodity clearances to **imported articles covered by Philippine National Standards** declared mandatory.

## **II. Multilateral Environmental Agreements (MEAs)**

Hand in hand with local legislations and issuances, the Philippines became a party to almost all the major Multilateral Environmental Agreements (MEAs) such as the Agreements on the Protection of the Ozone Layer, CITES, Convention on Biological Diversity, Basel, Climate Change, United Nations Convention Against Illicit Trafficking in Narcotic Drugs and Psychotropic Substances, ASEAN Regional Agreement on Cooperative Drug Control, United Nations Convention on Precursor Drugs, etc.

## **II. Information Sharing**

Cognizant of the trend towards trade globalization, the Philippine policy makers believe that the establishment of an effective and up-to-date information sharing mechanism, especially between and among South countries, is indispensable in managing DPGs, nationally, regionally and on a world wide basis. And more importantly than regulatory measures already instituted is the build up of industrial and social systems, as well as, the appropriate climate to induce enterprises and civil society to initiate programs and systems to gather data on DPGs as basic reference materials, to monitor damages or

adverse effects of DPGs; and to correct or clean up the damages done by their release into the environment.

The Philippines advocates the promotion of linkages and cooperation between and among South countries and South and North countries for the following reasons:

- Information exchange cooperation allows ideas to spread especially when new concepts are presented by the North and accepted by the South.
- Exchange of information can help avoid duplication and waste especially when the information materials are good models that can be adapted to suit local circumstances; and
- Group solidarity developed in cooperative projects can induce the members to voice out their positions where they may otherwise hesitate to speak out.

### **III.UNEP Initiatives**

The Philippines suggests that UNEP's initiatives which promoted cooperation and coordination on cleaner production on the regional and international levels be looked at as a model.

### **IV.On Market Access**

1. Since the Philippines is more of an importer, rather than a producer of chemicals and chemical substances, it is biased for the adoption of the precautionary principle in view of their ill effects which can only be known after years of exposure.
2. As to Process & Production Methods (PPMs), the Philippines favors a clear and workable approach to eco-labeling.
3. As to the Sanitary and Phytosanitary (SPS) Agreement countries are encouraged to accept as equivalent the SPS measures of other members even if they differ from their own. This means that if the

exporting country demonstrates that its measures achieve the importing members appropriate level of SPS measures the same should be recognized or adopted as adequate SPS protection.

4. Equivalency is the best option when harmonization of standards is not desirable or when international standards are lacking or inapplicable. For developing countries which face climatic, developmental and technological conditions different from those prevailing in developed countries, equivalency of SPS measures represents a key instrument to enhance market access for their products. Equivalency facilitates trade between two countries which establish a mechanism for recognition of equivalence of sanitary measures.
5. The procedure to reach recognition of equivalence is rather complicated as both the importing & exporting country must recognize both standards by establishing evidences and other legislative requirements. However, for developing countries who need to enhance their market access this option is worth pursuing.
6. The Philippines intends to use the balanced approach giving due consideration to its national priorities with regard to the entry of DPGs into the country. To this end, it will retain its rights to have imported DPGs conform with its national standards and prerequisites, as well as, to impose reasonable control measures when the DPGs in question lack full scientific certainty to back up the products' effect on public health and safety and on the environment.
7. The Philippines is in search of a win-win-win outcome of trade liberalization and environment protection through integration to a more receptive global economy. The following are proposals for a more equitable market access by developing countries:
  - Parallel market arrangements and subsidized technological transfers;

- Amendment and/or modification of the existing agreement on subsidies to be led by WTO.
  - For the WTO and other international organizations to assist the developing countries in understanding the workings of the sanitary and phytosanitary (SPS) and safeguard measures.
  - The WTO should refine the rules of the game in global trade to move away from the "one size fits all" concept.
8. Developing countries must have a more real participation in the rule making process in WTO. To do that, regional and collective aggrupations among them must be formed so that they are heard as one strong voice that will protect their own special interests vis-à-vis those of the developed countries.
9. Developing countries must realize that in terms of numbers they usually constitute the bulk of the membership in international organizations. They must be able to use the "power of numbers" they have in certain international organizations to protect their individual and collective interests to ensure a level playing field in global trade. They really have no other choice if they are to compete on equal terms with developed countries. Global trade is a reality we all have to accept. But in accepting it, we do not necessarily have to sacrifice the interests of the South countries in favor of those of the North countries. Otherwise, the South countries will always remain on the wrong side of the road to North countries and this is a condition that cannot be acceptable.
10. South countries have to have equal access to global markets to economically grow so that they can afford to set aside a percentage of their revenues for the protection of their domestic environments. They must also have access to environmental technology, support from the international community and funding from multilateral funding institutions in the pursuit of their environmental goals.