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# **PHILIPPINES' EXPORT CONTROL SYSTEM (Strategic Trade Management)**

**PHILIPPINES-JAPAN JOINT INDUSTRY OUTREACH  
ON EXPORT CONTROL**

**March 15, 2012**

**Dusit Thani Manila Hotel, Makati City**



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## PRESENTATION OUTLINE

- ❖ Backdrop
- ❖ Legal Basis/National Policy
- ❖ Existing Export Control System in the Philippines
- ❖ National Legislation
- ❖ Current Efforts



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## **BACKDROP**

**Asian countries (including East, Southeast, South and Near Asia) that :**

- **A-** are already implementing a comprehensive export control law/system;
- **B-** are actively considering introducing a comprehensive export control law/system; and
- **C-** have recently improved their export control laws, although not comprehensively

Source: James Martin Center for Nonproliferation Studies (2011)  
Monterey Institute of International Studies



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## **A. Asian States already Implementing a Comprehensive Export Control Law/System**

**( in parenthesis are the timeframe that comprehensive controls were introduced)**

- China (1998-2004)
- Japan (1970s/80s – major updates in 2001 and 2009)
- South Korea (1995-2001)
- Taiwan (Chinese Taipei) (2006-2010)
- Singapore (2003-2004)
- Malaysia (2010)
- India (2005)
- Pakistan (2004-2005)
- United Arab Emirates (2007)

Source: James Martin Center for Nonproliferation Studies (2011)  
Monterey Institute of International Studies



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## **BACKDROP**

### **B. Asian States Actively Considering Introducing a Comprehensive Export Control Law/System**

- **PHILIPPINES**
- Thailand

### **C Asian States That Recently Improved Export Control-related Laws (but that still have not yet introduced a comprehensive system)**

- Vietnam (updated law in 2005)
- Jordan (updated law in 2007-2009)

Source: James Martin Center for Nonproliferation Studies (2011)  
Monterey Institute of International Studies



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## **UNITED NATIONS SECURITY COUNCIL RESOLUTION 1540 (2004)**

- UNSCR 1540 calls for all UN member states to:
  - “refrain from providing any form of support to non-state actors that attempt to develop, acquire, manufacture, possess, transport, transfer or use WMD and their means of delivery”
  - “to adopt and enforce appropriate effective laws which prohibit any non-state actor to manufacture, acquire, possess, develop, transport, transfer or use WMD and their means of delivery;
  - “to establish controls to prevent the proliferation of WMD and their means of delivery”



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**Philippines is state-party/subscriber to all major Disarmament and WMD Conventions, including:**

- ❖ Chemical Weapons Convention (CWC)
- ❖ Biological Weapons Convention (BWC)
- ❖ Nuclear Non-Proliferation Treaty (NPT)
- ❖ Comprehensive Test Ban Treaty (CTBT)
- ❖ Hague Code of Conduct on Ballistic Missiles
- ❖ Convention on Certain Conventional Weapons



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## Philippines is a member of:

- ❖ Organization for the Prohibition of Chemical Weapons (OPCW)
- ❖ International Atomic Energy Agency (IAEA)
- ❖ CTBTO Preparatory Commission
- ❖ Hague Code of Conduct (HCOC)







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## Legal Basis/National Policy

- ❖ 1987 Philippine Constitution
  - Sections 2, 5 and 8, Article II- Declaration of Principles and State Policies
  
- ❖ Philippine Foreign Policy places high priority on disarmament and non-proliferation.



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## 1987 Philippine Constitution

### Article II - Declaration of Principles and State Policies

- ❖ **Section 2.** The Philippines renounces war as an instrument of national policy, adopts the generally accepted principles of international law as part of the law of the land and adheres to the policy of peace, equality, justice, freedom, cooperation, and amity with all nations.
- ❖ **Section 5.** The maintenance of peace and order, the protection of life, liberty, and property, and the promotion of the general welfare are essential for the enjoyment by all the people of the blessings of democracy.
- ❖ **Section 8.** The Philippines, consistent with the national interest, adopts and pursues a policy of freedom from nuclear weapons in its territory.



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## Legal Basis

- A number of laws and regulations (e.g. Republic Acts, Presidential Decrees, Executive Orders, and related issuances ) govern various exports in the Philippines
- Various exports are regulated by various Philippine government agencies



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## **STRATEGIC TRADE MANAGEMENT (or export control)**

- *“refers to controls over transfers of dual-use goods and technologies that can have both civilian and military (including WMD) applications, provides a regulatory and institutional framework enabling governments to simultaneously pursue non-proliferation and economic objectives.”*

Source: “1540 in Practice: Challenges and Opportunities for Southeast Asia” by Dr. Togzhan Kassenova, Associate, Nuclear Security Program, Carnegie Endowment



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## OBJECTIVE OF STRATEGIC TRADE MANAGEMENT

- The goal of strategic trade management (or strategic trade controls system) is to *regulate trade, not to prevent it.*
- In Southeast Asia, it is only SINGAPORE (2004) and MALAYSIA (2010) which implement comprehensive export control systems



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# EXISTING EXPORT CONTROL SYSTEM IN THE PHILIPPINES:

## On NUCLEAR & RADIOACTIVE MATTERS

The **Philippine Nuclear and Research Institute (PNRI)** is the country's national competent authority that serves as the regulatory agency on nuclear (peaceful use), radioactive materials and related devices.

PNRI adopted the International Code of Conduct on the Safety and Security of Radioactive Sources, and the Additional Guidance on Import/Export of Radioactive Sources.



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The Philippines as a signatory to the Comprehensive Nuclear Test Ban Treaty (CTBTO) and following the Senate ratification of this treaty in 2001, the Philippines has set up an International Monitoring Systems (IMS) within the country, under the management of the Philippine Nuclear Research Institute (PNRI), which is the National Authority for the Comprehensive Nuclear Test Ban Treaty Organization (CTBTO).



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## **On CHEMICALS & CHEMICAL SUBSTANCES:**

### AGENCIES:

- ❖ Environmental Management Bureau (EMB),  
Department of Environment & Natural Resources  
(DENR)
- ❖ Philippines Drug Enforcement Agency  
(PDEA)/Dangerous Drugs Board (DDB)
- ❖ Philippine National Police (PNP)
- ❖ Department of National Defense (DND)
- ❖ Fertilizer and Pesticides Authority (FPA)





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## **Phil. National Authority on Chemical Weapons Convention (CWC)**

- Anti-Terrorism Council (ATC) is now designated as the Philippine National Authority on Chemical Weapons Convention (CWC) by virtue of Executive Order No. 39 (April 2011)
- As state party to Chemical Weapons Convention (CWC), the Philippines is now finalizing a draft of its proposed national legislation to implement CWC through the ATC.



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## On BIOSAFETY AND BIOSECURITY

- ❖ Department of Health
- ❖ Academia - The University of the Philippines officially created an INSTITUTIONAL BIOSAFETY AND BIOSECURITY COMMITTEE (IBC)
- ❖ International Donors funding researches involving PATHOGENS now require an evaluation by the IBC
- ❖ A Manual of Guidelines has been made and currently undergoing peer review both locally and internationally



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- ❖ Established the PHILIPPINE BIOSAFETY AND BIOSECURITY ASSOCIATION INC. (PhBBA)

One of the main objectives of the PhBBA is to assist government agencies in developing a national policy and implementation plan for biosafety and biosecurity.



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- ❖ Key agencies such as the Research Institute for Tropical Medicine, Bureau of Animal Industry, Philippine Animal Health Center, and UP-Manila have undergone security upgrades in line with promoting biosafety and biosecurity in their agencies.

Currently formulating a national policy on laboratory biosafety and biosecurity

- ❖ Doing a national inventory of pathogens



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**On Imports and Exports of Firearms & Explosives** - PHILIPPINE NATIONAL POLICE (PNP) clearance is needed.

**On Weapons of War, Conventional Weapons (which include munitions)** - Department of National Defense (DND) clearance is needed.



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- ❖ **Bureau of Customs (BOC)**, being the lead agency in monitoring export and import in Philippine airports, seaports and other international points of exit and entry, is actively taking initiatives to prevent proliferation of nuclear, chemical or biological weapons and their delivery systems, in coordination with other government agencies.



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## **NATIONAL LEGISLATION**

### **HOUSE OF REPRESENTATIVES, 15<sup>th</sup> Congress**

**House Bill (HB) No. 4030** – approved on June 8, 2011 by the Committee on Public Order and Safety chaired by Rep. Pablo Garcia. Authored by six (6) Representatives in the Lower House.

### **SENATE OF THE PHILIPPINES, 15<sup>th</sup> Congress**

**Senate Bill (SB) No. 2449** - authored by Sen. Manny Villar was taken up in a public hearing held in Oct. 2011 by the Committee on Public Order & Dangerous Drugs chaired by Sen. Gregorio B. Honasan. Senate Technical Working Group (TWG) to convene meetings.



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## CURRENT EFFORTS

- ❖ **For PRIVATE SECTOR-** Intensifying **INDUSTRY OUTREACH** to raise the awareness of companies and commercial individuals about their responsibilities under the country's/economy's export control system
  - Metro Manila
  - Outside Metro Manila- (regional)
- ❖ **For LAW ENFORCEMENT-** **COMMODITY IDENTIFICATION TRAINING (CIT)** to be integrated in the regular training programs of law enforcement academies.





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## CURRENT EFFORTS

- ❖ **For concerned Government Agencies:**
  - Legal and Regulatory Workshop
  - Licensing Infrastructure and Development
  - Inter-Agency Coordination
  - Regional/International Cooperation



**THANK YOU AND  
GOOD DAY**

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