

The JAPAN-PHILIPPINES Economic Partnership Agreement (Jpepa) has been billed as a “new age” free trade agreement aimed at facilitating and promoting the free flow of goods, services and capital between the Philippines and Japan by eliminating tariffs on 80 percent of Philippine exports.

Signed by President Macapagal-Arroyo and former Japanese Prime Minister Junichiro Koizumi in September 2006, the trade pact also delineates several programs and projects, among them:

- Japanese-Language training and other cooperation and development in the field of human resources (nurses/caregivers).
- Training courses for the regulation and supervision of financial institutions.
- Cooperation in the field of information and communications technology.
- Technical cooperation in the field of science, energy and the environment.
- Trade and investment promotion.
- Cooperation in the field of small and medium enterprises.
- Promotion of the development of tourism.
- Assistance for capacity building in transportation and road development.

Supporters of the trade pact point to the treaty's promises of economic improvements for the Philippines. In September 2007, during a Senate hearing on the Jpepa, the Department of Trade and Industry said the country would gain about P222 billion in Japanese foreign direct investments from 2007 to 2010 if the pact was ratified. It also claimed that the investments would result in 330,000 jobs and 32 billion in tax revenues.

The Department of Agriculture, in October 2007, said the agreement would allow the Philippines to both secure and expand market opportunities in Japan for its agricultural and fishery products. The agreement in particular, the department said, would allow the elimination of tariffs ranging from 5 to 20 percent and the reduction of tariffs and/or the creation of tariff rate quotas within 3 to 10 years.

If approved, Jpepa will secure the export of some \$353 million worth of existing agricultural and fishery exports to Japan, the agricultural department said.

The agreement, however had been shrouded in controversy. In December 2005, months before the pact was signed, party-list group Akbayan, Pambansang Katipunan ng mga Samahan sa Kanayunan and Alliance of Progressive Labor asked the Supreme Court to stop negotiations on the Jpepa, saying that the government “violated the Constitution's provision on transparency and the right to information on matters of public concern.”

The high court failed to decide on the petition, paving the way for the pact's signing.

Environmentalists then raised a howl over the signed pact, saying that in exchange for Filipino nurses and caregivers, the Philippines would become Japan's dump by allowing Japan to send highly toxic and hazardous wastes to the country.

They feared the waste trade provisions in Jpepa—which mandates zero-tariff for “recyclable materials”—would trigger a repeat of the 1999 “waste scandal” in which 2,700 tons of hazardous waste from Japan found their way to the country. The shipment was supposedly “waste paper for recycling,” but inspection revealed that about 80 percent of the contents were waste.

This concern led to Ms Arroyo suggesting to then Japanese Premier Shinzo Abe in 2007 that a formal exchange of letters be made to assure the Filipino public and the Senate that no toxic waste would be dumped on the Philippines. --- *Eliza Victoria, Philippine Daily Inquirer, Friday, October 10, 2008 (A8)*