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BILL ON SECOND READING
S. No. 2033--Safeguard Measures Act
(Continuation)

Mr. President, I move that we now resume consideration of Senate Bill No. 2033 as reported out under Committee Report No. 230.

The President. Is there any objection? [Silence]
There being none, resumption of consideration of Senate Bill No. 2033 is now in order.

Senator Tatad. We are still in the period of interpellations. I ask that the sponsor, Sen. Juan Ponce Enrile, be recognized, and to continue his interpellations, Sen. Teofisto T. Guingona, Jr.

The President. Sen. Juan Ponce Enrile, the sponsor, and Sen. Teofisto Guingona, Jr. are recognized.

Senator Guingona. Thank you, Mr. President. Will the distinguished sponsor please yield for some questions?

Senator Enrile. How can I deny answering the question of the good-looking and distinguished gentleman from Mindanao, the Minority Leader? Gladly, Mr. President.

Senator Guingona. If that is the kind of compliment, I may not ask any more question. [Laughter]

Senator Enrile. Thank you, Mr. President. That is the purpose of the compliment. [Laughter]

Senator Guingona. Just a few questions. Is the executive department doing monitoring and studies on what agricultural products as well as industrial produce are being affected by import surges?

Senator Enrile. Mr. President, I imagine so because there are two departments in the government that are actually assigned to handle this problem of monitoring for the government--the Department of Agriculture, in the case of agricultural products, and the Department of Trade and Industry in the case of nonagricultural products.

Now, in the case of agricultural products, we must recall the activities of the department officials where they even challenged, I think, the government of Australia with respect to some of our exports to that country as against our imports from that country.

Senator Guingona. Yes. There is a definition of agricultural products in the WTO Agreement.

Senator Enrile. Yes, Mr. President.

Senator Guingona. I would just like to ask what agricultural products are covered by this definition. Everything, except rice, I think.

Senator Enrile. Almost everything, I think, except rice, coconut products, poultry, beef, and the like.

Senator Guingona. Yes.

Senator Enrile. Including eggs, I think.

Senator Guingona. Including eggs, yes. And this goes not only to agricultural products but also to industrial products such as steel, iron....

Senator Enrile. Yes, Mr. President. Almost all the tariff schedules in the Tariff and Customs Code.

Senator Guingona. Yes. Under the bill, there is not only an emergency safeguard measure permanently but also a provisional remedy.

Senator Enrile. Mr. President, we will be deleting the word "emergency" because that term refers only to

special safeguards on agriculture. But when we talk of general safeguards, emergency or no emergency, when there is already a surge of imports and it poses a serious injury to our industries, then we can entertain application for this remedy.

Senator Guingona. These safeguard measures refer to permanent and provisional remedy

Senator Enrile. Yes, Mr. President.

Senator Guingona. And the provisional goes through the same process. In other words, the proposed Cabinet committee which receives the application refers the same to the Tariff Commission.

Senator Enrile. The corresponding Cabinet secretary will perform the function for the provisional remedy.

Senator Guingona. It will not refer to the Commission anymore?

Senator Enrile. No, Mr. President. That is preparatory to the submission of the petition for hearing by the Commission. Precisely, it is called "provisional remedy" because it assumes the urgency of the problem.

Senator Guingona. On page 6 of the bill, the Preliminary Determination is deleted up to page 7.

Senator Enrile. That is Section 7, Mr. President.

Senator Guingona. Yes.

Senator Enrile. But there is a new Section 7 which is found on page 7.

Senator Guingona. Yes, it refers to the Commission.

Senator Enrile. That is investigation already and hearing.

Senator Guingona. So this does not refer to the provisional?

Senator Enrile. No, Mr. President. Not yet. The provisional remedy is found in Section 9, page 11. It used to be Section 8. It is Provisional Measures, not provisional remedy. It says:

In critical circumstances where a delay would cause damage which would be difficult to repair, and pursuant to a preliminary determination that increased imports have caused or are threatening to cause serious injury or threat thereof to the domestic industry, the Secretary--

The word "Secretary" here could be either the Secretary of Trade and Industry in the case of nonagricultural products or the Secretary of Agriculture in the case of agricultural products.

--shall immediately issue, through the Secretary of Finance,--

who has jurisdiction over the Bureau of Customs

--a written instruction to the Commissioner of Customs authorizing the imposition of a provisional general safeguard measure.

What are these provisional general safeguard measures? They are covered by the second paragraph. They could be increased duties. Or the Secretary may opt to say, "Well, that is not enough, but we have to use a much more severe provisional remedy. It could be a reduction of the authorized minimum access volume or a QR."

Senator Guingona. I would just like to know, for clarity, what is this "preliminary determination"?

Senator Enrile. That is a determination by the Secretary on the basis of the petition, plus the attached documents supporting the petition. On the basis of these

documents, we have to study it. If these documents would impress upon him that indeed there is a reasonable conclusion in his mind that an import surge exists and that this import surge is causing or threatens to cause serious injury to a given industry in the country and he must act otherwise the damage will be irreparable, he will then take the action of imposing provisional measures.

Senator Guingona. No notice? No hearing?

Senator Enrile. No, Mr. President. This is on his part.

Senator Guingona. Discretionary? Total discretion?

Senator Enrile. Actually, Mr. President, this provision is a copy, a reproduction of the treaty agreement.

Senator Guingona. Yes, but the treaty agreement is only for tariff, not for quantitative restrictions.

Senator Enrile. Mr. President, that is correct.

Senator Guingona. I am in favor in principle of the measure because it will protect our industries and our farms. But I just want to be sure that there is no procedural lapse.

Senator Enrile. That is a matter of interpretation, Mr. President. Precisely, this provision has been interpreted by various safeguard legislations of various countries. Some countries opted to be more open than others. This representation is following the more open, transparent position.

Senator Guingona. Yes, but it will be totally discretionary on the part of the Secretary.

Senator Enrile. Yes, Mr. President. It cannot be arbitrary; it cannot be whimsical. It must be based on substantial evidence presented to him as a part of the

petition, whoever is the petitioner or applicant for the application of a general safeguard.

Senator Guingona. Would this involve a specific import?

Supposing it were a dressed chicken? Chicken would involve various parts, say, legs.

Senator Enrile. They will all come under "poultry." I think that is the general classification.

Senator Guingona. How about chicken skin? Iyong balat.

Senator Enrile. That is still poultry, Mr. President, including chicken legs and chicken feathers, not chicks.

Senator Guingona. Not "chicks." [Laughter] Would the discretion of the Secretary, therefore, include a provisional ban on all parts of the chicken?

Senator Enrile. Yes, Mr. President. He can say, "For chicken and chicken parts, we maintain this quota."

We are adopting the same nomenclature that we have adopted in the case of antidumping, in the case of countervailing duty. These are companion measures intended precisely as an escape clause or protection for importing countries in order that they can protect themselves from various types of international trading assaults into their markets that would affect their industries.

Senator Guingona. How long would the preliminary provisional measure last?

Senator Enrile. For not more than 200 days, Mr. President.

Senator Guingona. Not more than 200 days. In the case of provisional measure, the measure would either be a tariff change increase or a quantitative restriction?

Senator Enrile. That is correct, Mr. President. I think if the distinguished gentleman will study the time schedule involved in the hearing of the Commission, it will be within that 200 days.

Senator Guingona. No. This is no longer the Commission. This is the Secretary himself.

Senator Enrile. No, the Commission, because after the Secretary has issued the provisional measure, he is also conducting the process to bring this to the Commission for hearing

Senator Guingona. No. Is the action or intended measure already implemented before he...

Senator Enrile. Yes, Mr. President.

Senator Guingona. So how long will this last?

Senator Enrile. It will last for 200 days, Mr. President.

Senator Guingona. Even if he does not bring it to the Commission?

Senator Enrile. No, he has to bring it to the Commission for hearing, Mr. President. It is mandatory for him to send the material to the Commission because, to him, there is a prima facie case already.

Senator Guingona. All right, there is a prima facie case. The tariff is increased and the importer is notified and is given the opportunity to file a cash bond, is he not?

Senator Enrile. The provisional remedy, Mr. President, is increased tariff, not cash bond.

Senator Guingona. Increased tariff, therefore.

Senator Enrile. Yes, it is a cash bond, but that is actually the tariff which will be refunded.

Senator Guingona. Precisely.

Senator Enrile. Yes, Mr. President.

Senator Guingona. In other words, there is notice now to the importer?

Senator Enrile. That is correct, Mr. President. This is only for purposes of the provisional measure.

Senator Guingona. A provisional measure and he puts up a cash bond before the tariff increase becomes effective.

Senator Enrile. Mr. President, the cash bond is, in effect, the tariff so that he can withdraw the goods.

Senator Guingona. Let us say that the tariff is 10% and it is increased to 15% by the Secretary.

Senator Enrile. There is no limit. But assuming that the distinguished gentleman is correct, if we are crazy to just increase it by 50%.

Senator Guingona. No, it is just an example. How much cash bond would the....

Senator Enrile. The full amount of the tariff, Mr. President.

Senator Guingona. Is it not just the difference?

Senator Enrile. No, Mr. President, the full amount because the additional tariff is precisely the protective measure. The 10% is the ordinary existing tariff if we do not apply a provisional remedy.

Senator Guingona. Yes. But if the finding eventually of the Commission is that the injuries caused by high power electric rates or....

Senator Enrile. Then in that case, Mr. President, if there is no causal link between the import surge and the serious injury to the industry, then the government will say, "We have released the goods, we return the money."

Senator Guingona. In the case of tariff changes, there is a protective remedy as far as the importer is concerned.

Senator Enrile. That is correct, Mr. President.

Senator Guingona. What is the remedy in the case of quantitative restriction?

Senator Enrile. In that case, if, let us say, 100 tons of chicken parts enter the country, and that, given the normal importation, this shows an import surge, then we say: "Beginning this date, chicken and chicken parts can only enter the country at so many tons." That is prospective. Those that are in the country at the time of the imposition of the quantitative restriction will not be affected. That is my understanding of the operation of this law.

Senator Guingona. Quantitative restriction.

Senator Enrile. Yes, Mr. President.

Senator Guingona. And only so many tons can be imported.

Senator Enrile. That is correct, Mr. President. That is why it is quantitative restriction.

Senator Guingona. Let us go to sugar, for example..

The Secretary of Agriculture asks that there be a quantitative restriction imposed.

Senator Enrile. Yes, Mr. President. In the case of sugar, for instance, we can reduce the minimum access volume to one kilo.

Senator Guingona. Well, that is an example. But there would also be allowed importations up to a certain minimum or maximum level.

Senator Enrile. We will determine the tonnage that will be allowed to enter taking into account the domestic supply.

Senator Guingona. Yes. But the Secretary of Agriculture is the one who approves the importation of sugar. Is there no conflict of..

Senator Enrile. Hanky-panky? No, Mr. President.

Senator Guingona. No, conflict of interest.

Senator Enrile. None, Mr. President.

Senator Guingona. He is interested in stopping or imposing quantitative restrictions and, at the same time, he is the person who approves the importation of sugar importers.

Senator Enrile. Mr. President, first of all, the Secretary of Agriculture is supposed to know the supply-and-demand condition of a particular agricultural product in the country. He knows the actual supply level in the country at any given time. He knows the demand for that product on a weekly, monthly, quarterly, semestral or annual basis.

If he feels that the present level of supply is such that it is adequate to meet the demand at a given acceptable price and there is an upsurge of importation that would really depress the price in the market to the detriment of our farmers and somebody will file an application for a general safeguard measure to be

applied, the Secretary of Agriculture, after reading the documents and knowing the facts at his fingertips,-- because that is supposed to be what he is as a Cabinet member dealing with this problem--he can say: "We can only allow an importation of an x quantity of sugar or none at all."

Senator Tatad. Mr. President, with the indulgence of the two gentlemen on the Floor, I just want to put on record that the Secretary of Agriculture is listening with great appreciation to this debate right now.
[Laughter]

Senator Enrile. Why do we not ask him to sit here.

The presence of the Secretary of Agriculture, Sec. Edgardo J. Angara, was acknowledged by the Chair.

The President. May we invite the Secretary of Agriculture, the former President of the Chamber, to join us in the Hall.

The gentlemen on the Floor may proceed. Is the Minority Leader still insisting on his interpellation?
[Laughter]

Senator Guingona. Just a little, Mr. President.

The President. All right. Just a little.

Senator Enrile. In aid of notoriety, Mr. President.
[Laughter]

Senator Guingona. Mr. President, all I was asking for was, is there no conflict of interest between him and...?

Senator Enrile. There is none, Mr. President. In fact, he is performing his job.

Senator Guingona. Yes, I know. But, theoretically,...

Senator Enrile. None, Mr. President. In fact...

Senator Guingona. Prescinding from his character...

Senator Enrile. He is mandated to protect our local farmers.

Senator Guingona. That is correct. But at the same time, if the Secretary of Agriculture were now changed to somebody else and he was the one who put up a quantitative restriction...

Senator Enrile. Then we will file an antigraft case against him, Mr. President, for dereliction of duty.

Senator Guingona. In the same manner, the Secretary of Trade and Industry is in charge of promoting the steel industry and at the same time he could impose quantitative restrictions and allow the importation of a certain amount.

Senator Enrile. The same, Mr. President. What the Secretary of Agriculture can do in the case of agricultural products, the Secretary of Trade and Industry can do likewise if he is dedicated in protecting our local manufacturing and service sectors.

Senator Guingona. I am in favor of having this quantitative restriction, but I am ...

Senator Enrile. Then why is the distinguished gentleman so insistent in asking questions?

Senator Guingona. Because I would like to plug the abuses, the possible abuses. When we have the quantitative restriction, that means the opportunity of having some cronies for lies to issue--opportunities for them to be able to import. And this is one of the things that were experienced during the import control days.

Senator Enrile. The gentleman should mind that there is a third party watching us, not only one but two: the exporting country to Philippines and the WTO--whether

the quantitative restriction level that we establish is really reasonable.

Senator Guingona. So, this has to be studied by the Commission after the imposition of the provisional measure.

Senator Enrile. In fact, Mr. President, it will not take time for the Secretary to go over the documents. He can dictate the order and then at the same time tell the clerk to prepare an endorsement of the whole record to the Commission with the instruction to conduct hearings. That is the process.

Senator Guingona. Thank you, Mr. President.

During the initial debates, we heard the distinguished sponsor say that quantitative restriction was not embodied in the WTO.

Senator Enrile. I changed my mind because I have studied it further, Mr. President. I found out that even Mexico and Panama could do it. If they can do it, why can the Philippines not do it?

Senator Guingona. That is correct. The officials of the United States are doing it; and they have not even ratified the WTO. They did it through legislation and they are the ones violating it. So, why should we be very timid and protective?

Senator Enrile. I think we can argue our position on this, Mr. President.

The United States has done it. We simply write this into our law but it does not mean that we will use it immediately. We can probably opt to use the tariff instrument as a first option. If that is not enough, then we can use quantitative restrictions because the provision of the WTO uses the word "should" rather than the mandatory word "shall." So, it opens a wide area of discretion in legal grafting.

Senator Tatad. Mr. President.

The President. The Majority Leader is recognized.

Senator Tatad. With the kind indulgence of the distinguished gentlemen, just a point of information.

Quantitative restrictions are allowed under the WTO. Under Article XIX of GATT and Article II of the *Agreement on Safeguards*, quantitative restrictions are allowed.

Senator Guingona. Yes. Not only that. I have been convinced by the distinguished sponsor. As I said, I agreed even before. I just wanted to clarify now.

Senator Enrile. I would like to take this position, Mr. President, that the Majority Leader is correct, but those sections deal with the recommendations of the hearing body after the establishment of a serious injury. But I think the position that whatever is a possible remedy, after we have found a serious injury situation, should be allowed as a provisional measure to be exercised by the Secretary concerned. Because, precisely, the purpose of all these is to protect domestic industries from injuries, serious or material, arising from our commitments under the treaty of the World Trade Organization.

Senator Guingona. Can we totally ban an imported good?

Senator Enrile. The duration of the QRs for General Safeguard Measures is initially four years, extendible for another four years depending upon the circumstance. We must justify the continuations for a total of eight years, plus two for the developing countries. So, a total of 10 years for a developing country like the Philippines.

Senator Guingona. But totally banned?

Senator Enrile. Not totally banned. I think we just give these countries a little leeway. The *de minimis* import will not hurt us anymore at that point.

Senator Guingona. We can also ban smuggling.

Senator Enrile. Well, I think so, why not?

Senator Guingona. It is already banned, Mr. President.

Senator Enrile. Mr. President, smuggling is a big industry.

Senator Guingona. Yes. We have to go through this with open eyes. I am sure the distinguished sponsor has thought out retaliatory measures by the importing countries.

Senator Enrile. Mr. President, these countries cannot take a retaliatory measure just like that. The complaining members of the WTO who will be hurt or who will be affected by our measure will have to use the dispute settlement mechanism of the WTO. The complaining members have to bring us there and then we will discuss the matter. It is there where we will discuss whether we are correct, or the complaining members are correct, or we can come into a consultation and arrive at a compromise.

Senator Guingona. If the importation at issue is dressed chicken.

Senator Enrile. Dressed chicken?

Senator Guingona. Yes.

Senator Enrile. Why is the gentleman always fond of dressed chicken, Mr. President?

Senator Guingona. Because of the chicks.
[Laughter]

Can the exporting country take a similar step of a possible remedy, which is allowed under the WTO, on a product that is not agricultural, or is agricultural but of a different kind? Let us take carrageenan.

Senator Enrile. They cannot retaliate against us immediately because, as I said, they have to bring us to a dispute settlement mechanism to raise their complaint, and that is the dispute settlement body of the WTO. And they will, just like that, go there and raise an issue against the measure and we have taken. The WTO will notify us and we will be compelled to go to that dispute settlement body and litigate the matter.

Senator Guingona. Supposing that after the Secretary of Agriculture has implemented the safeguards measures, the Commission does not uphold his findings, what happens?

Senator Enrile. We will return the money.

Senator Guingona. That goes through all the way to the President.

Senator Enrile. That is the present draft, but there is a request for an amendment later on.

Senator Guingona. Mr. President, I have many other questions, but in view of the presence of the Secretary of Agriculture....

Senator Enrile. I know, Mr. President, that the gentleman loves his farmers in Mindanao.

Senator Guingona. That is right, Mr. President.

Senator Enrile. Specially the people of Bukidnon and Misamis Oriental.

Senator Guingona. Yes, Mr. President.

Senator Enrile. And I am sure that the gentleman's heart is for them.

Senator Guingona. Yes. That is why I am in favor of this bill and for the quantitative restrictions.

Senator Enrile. And the gentleman is going to stop his interpellations?

Senator Guingona. Thank you very much, Mr. President.

The President. The Majority Leader is recognized.

Senator Tatad. We would like to thank the Minority Leader for abbreviating his interpellation. I ask that the other gentleman from Mindanao, Sen. Aquilino Q. Pimentel Jr., be recognized for one or two questions.

The President. Sen. Aquilino Q. Pimentel Jr. is recognized.

Senator Enrile. I would like to thank the Minority Leader.

Senator Pimentel. Thank you, Mr. President. But for the record, I am not the other gentleman from Mindanao. I am Nene Pimentel from Mindanao.

Senator Enrile. The federalist from Mindanao.

Senator Pimentel. Will the gentleman kindly yield for a very few questions?

Senator Enrile. Gladly, Mr. President.

Senator Tatad. We move to withdraw that phrase from the record, Mr. President. He is the first gentleman from Mindanao.

Senator Pimentel. Mr. President, my principal concern really in this measure is not that it is not good for our people, but it is being subjected to a lot of misinterpretations. Meaning to say, we put up quantitative restrictions, or nontariff barriers, or any

other kind of obstacle for the entry of certain products. The facile argument is, we are trying to deny our people cheaper goods.

Senator Enrile. That is correct, Mr. President.

Senator Pimentel. That is the usual argument. So, how do we overcome that kind of argument, Mr. President?

Senator Enrile. That is why we will have a hearing by the Commission which is technically competent to handle this and consider the supply-demand levels in the country, especially the pricing of the commodities, so that it will not hurt our consumers. Because if the demand has increased, although in absolute terms, the import for this particular type of commodity has increased, then we ought not to take any safeguard measure because the level of consumption has increased and the price in the market has not changed radically to the detriment of our farmers. These are things which must be taken into account in the hearing.

Senator Pimentel. But the hearing will come, to my understanding, after there is a consideration of a serious injury....

Senator Enrile. That is correct, Mr. President.

Senator Pimentel. That will be inflicted upon....

Senator Enrile. No. When the matter is actually endorsed to the Commission for hearing which will determine whether there is a serious injury.

Senator Pimentel. Who, therefore, initiates that kind of an action, Mr. President?

Senator Enrile. An interested party. Normally, it is an industry or an association of industries. Under the present draft of the measure, Mr. President, it could be the Secretary concerned, *motu proprio*, it could be even a member of any committee of either House, and labor groups. Because when we talk of an industry here, in my

humble interpretation, we are not just talking of the owners, the corporate body or group of capitalists owning the business; we include the workers, we include the suppliers of these industries, and so forth and so on.

Senator Pimentel. How long will that process last, Mr. President. What is the total length from the filing of the cases all the way to decision--180 days?

Senator Enrile. I think the hearing must be completed in 60 days, Mr. President.

Senator Pimentel. From filing?

SUSPENSION OF SESSION

Senator Enrile. Mr. President, I move that we suspend the session for one minute.

The President. Is there any objection? *[Silence]*
There being none, the session is suspended for one minute.

It was 5:50 p.m.

RESUMPTION OF SESSION

At 5:50 p.m., the session was resumed.

The President. The session is resumed.

Senator Enrile is recognized.

Senator Enrile. On page 10 of the current draft which incidentally was approved by this Chamber, Mr. President, to be the draft of the bill on this issue, lines 8 to 10 state: "THE INVESTIGATION SHALL BE TERMINATED BY THE COMMISSION WITHIN 60 DAYS FROM RECEIPT OF THE RECORDS OF THE CASE."

Senator Pimentel. And during the 60-day period, all the relevant factors about the impact on the economy, pricing and all that will be taken into account.

Senator Enrile. That is correct, Mr. President.

Senator Pimentel. Finally, Mr. President, I would like to ask the gentleman: What is meant by the term "annual domestic consumption" in Section 20?

Senator Enrile. "Annual domestic consumption" is the statistical material, Mr. President, which tells us how much is the total consumption of the country for that particular product on an annual basis.

Senator Pimentel. Would the gentleman have an idea how this is determined? Is there any specific formula to be followed?

Senator Enrile. Well, this is computed on a per capita basis by the...

Senator Pimentel. Probably, by the NEDA or....

Senator Enrile. By the Department of Agriculture in the case of agricultural products, and I think, by the Department of Trade and Industry, or maybe the agency concerned with the preparation of statistics, Mr. President.

Senator Pimentel. Thank you, Mr. President. The gentleman has my full support.

Senator Enrile. Thank you very much, Mr. President.

The President. The Majority Leader is recognized.

Senator Tatad. Thank you very much, Mr. President. There are no further interpellations, but I wonder if I could just ask one clarificatory question of the distinguished sponsor.

Senator Pimentel. Gladly, Mr. President.

Senator Tatad. Mr. President. the bill speaks of import surges. This is not defined in the bill but I believe we understand this well enough. But my understanding is that even without the surge, if there is an increase of import vis-a-vis the level of domestic production, we may need to have a special safeguard.

Let me illustrate. For instance, if we are producing 9,000 units of a particular product and we have an import of 1,000 units at a particular time, and after the lapse of a certain period the 9,000 goes down to 4,000 and our imports go down to 800 units, we would still have an increase in terms of proportion. And that would still necessitate protection by means of safeguards.

Senator Enrile. That is correct, Mr. President, because if the gentleman will notice, Section 5 speaks of importation of goods, whether absolute or relative to domestic production.

Senator Tatad. Yes--relative.

Senator Enrile. So, if the importation is constant but because of some factors there is a reduction in demand in the country, the share of the imported portion of one's total supply, compared to the domestic production, increases in relative terms.

Senator Tatad. So it is possible....

Senator Enrile. Unlike in a situation where one has a constant production level and a constant demand level in the country and there is an increase in absolute terms of one's imports for that product.

Senator Tatad. So it is possible to propose some amendments on page 1, just to improve the precision of the work.

Senator Enrile. Gladly, Mr. President.

Senator Tatad. Another point, Mr. President.

While we say that in looking at the importation we should not look at the source, there is a provision in the Agreement on Safeguards that importation from developing countries is not to be treated in the same manner as importation from developed countries unless that importation exceeds 3% of the product coming in.

Senator Enrile. That is correct, Mr. President.

Senator Tatad. Is that sufficiently covered in the bill?

Senator Enrile. Mr. President, we incorporated actually the provision of Article IX on safeguards which says: "A general safeguard measure shall not be applied to a product originating from a developing country if its share of total imports of the product is less than three percent (3%): Provided, however, That developing countries with less than three percent (3%) share collectively account for not more than nine percent (9%) of the total imports," et cetera.

Senator Tatad. I thank the gentleman for that, Mr. President.

Just a final question. In applying quantitative restrictions as a safeguard, there is a provision for consultation with the exporting entities.

Is this contemplated also as part of the procedure in this bill?

Senator Enrile. Yes, Mr. President. After all, even if we do not write that in the bill, this treaty is a part of our legal system because we adhere to it; therefore, all of the provisions of the WTO will become suppletory to the measure that we have at hand.

Senator Tatad. Thank you very much, Mr. President.

There being no further questions, I move that the period of interpellations be closed.

Senator Osmena (S). Mr. President, just a clarification, with the permission of the distinguished sponsor and the Majority Leader.

This representation--because the distinguished sponsor said he would accept all amendments--had already proposed an amendment that the phrase "IMPORT SURGES" be amended to INCREASED IMPORTS. It gives our agriculture sector more slack, and besides, this is the wording in the agreement on agriculture and the agreement on safeguards. They refer to increased imports.

Senator Enrile. We will consider that at the proper time, Mr. President, if we will accept.

Senator Osmena (S). Thank you, Mr. President.

Senator Tatad. I have the same in mind. Let that stand as an Osmena amendment when it is finally introduced.

I reiterate my motion, Mr. President. I move that the period of interpellations be closed.

The President. Is there any objection? [Silence] There being none, the motion is approved.

Senator Tatad. I move that we now consider the committee amendments.

The President. The committee chairman is recognized for the period of committee amendments.

COMMITTEE AMENDMENTS

Senator Enrile. Mr. President, on page 1, lines 8 and 9, between the word "necessary" and "TO", insert the phrase TO PROTECT DOMESTIC INDUSTRIES FROM IMPORT SURGES AND THE THREAT THEREOF, AND.

Senator Osmeña (S). Point of clarification, Mr. President, with the permission of the sponsor.

I thought that the amended copy as submitted by the sponsor was already the new committee report.

Senator Enrile. Well, I would like to reintroduce them, but if that is the understanding of the Chamber that all the capitalized items in this draft are already the committee amendments, then I would welcome that proposition.

Senator Osmeña (S). I so move, as an omnibus amendment.

The President. The Majority Leader is recognized.

Senator Tatad. Yes, the proposed committee amendments as indicated in the bill that form part of the committee report need to be introduced formally into the *Record*. But if there is a motion similar to the motion proposed by Senator Roco, and the Minority Leader agrees wholeheartedly, then we will consider these as having been read into the *Record*.

Senator Enrile. Including the bracketed words, phrases, clauses, sentences, paragraphs and sections.

The President. That is correct.

Senator Osmeña (S). So that we may now use that as the working draft, the copy that was given to us yesterday.

Senator Enrile. With the committee amendments.

Senator Osmeña (S). Yes, with the lines that are in bold.

Senator Enrile. Yes. And the words, phrases, clauses, sentences, paragraphs and sections bracketed will now be considered as a part of the committee amendments.

The President. With that motion, is there any objection? [*Silence*] There being none, the amendments

introduced by the Committee which are now incorporated in the May 31 version of Senate Bill No. 2033 are deemed read into the *Record* and adopted as committee amendments

The Majority Leader is recognized.

Senator Tatad. Mr. President, I move that we close the period of committee amendments.

The President. Is there any objection? [*Silence*] There being none, the period of committee amendments is hereby closed.

SUSPENSION OF CONSIDERATION OF S. NO. 2033

Senator Tatad. I move that we suspend consideration of Senate Bill No. 2033.

The President. Is there any objection? [*Silence*] There being none, consideration of Senate Bill No. 2033 is hereby suspended.

SUSPENSION OF SESSION

Senator Tatad. Mr. President, I move that we suspend the session until ten o'clock tomorrow morning, Thursday, the first of June 2000.

The President. Is there any objection? [*Silence*] There being none, the session is suspended until ten o'clock tomorrow morning, the first of June 2000.

It was 6:03 p.m.