

A Project Consigned of the Environment Agency in 1996

**Overseas Environmental Measures of
Japanese Companies
(Philippines)**

**- Research Report on Trends in
Environmental Considerations related to
Overseas Activities of Japanese Companies -
FY 1996**

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Preface

There are various reasons why so many Japanese enterprises have been making inroads into the Philippines in recent years: the Philippines has become an attractive new market due to its significant economic growth; export-related industries are treated favorably; English is one of the national languages; labor costs are low; and finally, other business acquaintances may already be doing business there.

In 1995, the Environment Agency conducted a survey on actual measures to protect the environment carried out by Japanese companies doing business in the Philippines and other Southeast Asian nations. One of the questions in the survey was, "What do you expect the Japanese government to do in order to improve the environmental measures taken by companies making inroads into foreign countries?" The most common answer was "To publish information (by drawing up manuals, etc.) on the environmental situation in individual countries." Direct interviews also revealed that there is a demand for manuals on environmental control, as well as on the present status of environmental problems and actual measures taken by leading companies.

We have therefore compiled information and examples of how Japanese companies have been tackling environmental problems as a project of the Environment Agency for 1996, with the cooperation of the Japanese Chamber of Commerce & Industry in the Philippines and many other parties.

This book includes the following: (1) The latest environmental controls in relation to prevention of water and air pollution; (2) Case studies of pioneering Japanese companies that are tackling pollution prevention; (3) The status of ISO 14001 which is now attracting much attention; (4) Examples of environmental management systems set up for ISO 14001; and (5) Matters to be considered when tackling environmental problems in the Philippines.

We hope this book will be of help both to Japanese companies already doing business in the Philippines to enable them to improve remedies for environmental problems and to those planning to enter the Philippines to enable them to address environmental problems in more appropriate ways.

We express our very great appreciation for the generous support of the Japanese Chamber of Commerce & Industry in the Philippines in compiling this book and for the cooperation provided by Japanese companies and government agencies in the Philippines.

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Structure and Use of This Book

The structure of this book is as follows. Each chapter is independent, and so readers can start from any chapter according to the needs of individual companies.

Chapter 1 outlines the latest information on environmental problems and their legislative control in the Philippines today.

Chapter 2 introduces specific cases relating to waste water treatment in consideration of environmental control. Information was collected by carrying out on-site inquiries at Japanese companies in the Philippines.

Chapter 3 introduces the case of a company that reduced the burden on the environment by improving its manufacturing process, using a so-called clean technology that has attracted much attention. This technology differs significantly from so-called "end-of-pipe" measures to prevent pollution.

Chapter 4 introduces other cases of companies that are concerned about the environment that have contributed to society through their products.

Chapter 5 introduces cases of environmental management systems built in accordance with ISO 14001: Environmental Management System Standard, issued by the International Organization for Standardization (ISO) in September 1996.

Chapter 6 describes special circumstances and difficulties experienced by Japanese companies that have tackled environmental problems in the Philippines. The problems, etc. are discussed by those people who are actually addressing the problems. This chapter should help companies to tackle environmental problems, which may be difficult to do based only on examples.

The following have been added in the Appendix:

- Sources of environmental information in the Philippines and Japan
- Environment-related legislation in the Philippines
- Current status of environmental policies of Japanese companies in Asia, including the Philippines
- Background explanation of global environmental issues that should be understood when dealing with environmental problems
- Outline of an Environmental Management System

For reference, 1 Philippine peso is equivalent to about 5 yen (as of March 1997).

(List of Abbreviations)

DENR: Department of Environment and Natural Resources

EMB: Environmental Management Bureau

NPCC: National Pollution Control Commission

LLDA: Laguna Lake Development Authority

EIS: Environmental Impact Statement

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