

## **SLIDE 1:**

His Excellency Ambassador Rusu, Mr. Dumisani Dladla, distinguished delegates, a pleasant morning to all. On behalf of the Philippine delegation, I would like to express our gratitude to Ambassador Rusu for inviting the Philippines to this thematic discussion to share our interagency cooperation framework in implementing the ATT.

## **SLIDE 2:**

- The Philippines has two regulations in implementing the provisions of the ATT, even before its ratification. These are the Strategic Trade Management Act (STMA) and the Comprehensive Firearms and Ammunition Regulation Act.
- The STMA covers the regulation of the export, import, transit, transshipment, and brokering of strategic goods, or items that are listed in the National Strategic Goods List, which includes items listed in Articles 2, 3, and 4 of the ATT. The Strategic Trade Management Office under the Department of Trade and Industry is responsible for implementing the STMA.
- Furthermore, the STMA Implementing Rules and Regulations outline the risk assessment criteria similar to the provisions under Articles 6 and 7 of the ATT.
- On the other hand, the Philippine National Police - Firearms and Explosives Office (PNP-FEO) is the implementing agency of the Comprehensive Firearms and Ammunition Regulation Act. It regulates the export and import of small arms and light weapons.

## **SLIDE 3**

- Inter-agency cooperation is a key element in the implementation of the STMA. The STMA created a policy-making body, a central authority on all matters pertaining to strategic trade management. It's called the National Security Council- Strategic Trade Management Committee (NSC-STMCom). It is headed by the Executive Secretary and Vice chaired by the Secretary of Trade and Industry and 12 other cabinet secretaries as member of the Committee.

## **SLIDE 4**

- The NSC-STMCom recognizes that the implementation of the STMA requires a whole-of-government approach. Thus, the Council issued a resolution establishing subcommittees, namely:
  - Subcommittee on Technical Reachback
  - Subcommittee on Risk Assessment
  - Subcommittee on Enforcement
  - and Subcommittee on Trade Facilitation

## **SLIDE 5**

- Members of the Subcommittee on Technical Reachback are composed of technical agencies with SMEs in science, engineering, and defense as well as

laboratory facilities. Its main functions include classifying strategic goods during STMO licensing determination and during the performance of enforcement functions of law enforcement agencies.

- The Subcommittee on Risk Assessment is composed of agencies with intelligence functions as well as a database on certain individuals to which the STMO has no access including agencies with foreign offices to verify the legitimacy of the end-user. The Foreign Affairs and the Office of Special Envoy on Transnational Crime are members of this subcommittee. Its function includes assisting the STMO in evaluating license applications based on the risk assessment criteria and vetting individuals engaged in strategic trade transactions.

## **SLIDE 6**

- The members of the Subcommittee on Enforcement include agencies with enforcement, intelligence, investigation, and prosecution functions. Its main functions include the establishment of an intelligence-based risk assessment process, including profiling and targeting high-risk shipments as well as the development of mechanisms for STMA-related investigation, case disposition, and prosecution, including interagency information sharing.
- Lastly, the Subcommittee on Strategic Trade Facilitation is mainly composed of agencies with border control functions such as Customs and free trade zone authorities. Its function includes the establishment of communication or coordination mechanisms on license decisions and commodity identification inquiries on flagged shipments.

## **SLIDE 7**

- In order to materialize and operationalize the interagency established by the NSC-STMCom, the members of the subcommittees established its interagency protocols and memorandum of Agreement.
- These documents are used by the members whenever there are specific inquiries that the STMO requests from the members of each subcommittee.
- The salient points of the **SCTR and the SCTRA interagency protocols** include the responsibilities of the subcommittee, and capability matrix indicating the specific request that we need vis-à-vis the mandate and capability of each member. For example, if the inquiry pertains to verification of the existence of the end-user, it is forwarded to Foreign Affairs or the National Defense considering that they have representatives in different States.

- The protocols also include the step-by-step procedure for requesting assistance from government partners including the timeline for processing requests.
- The Subcommittee on Enforcement Protocols outlines the procedure for the conduct of enforcement and requests for assistance including intelligence and information sharing, investigation, and prosecution.
- On the other hand, the Memorandum of Agreement between the STMO and the Subcommittee on Trade Facilitation includes the procedures on license verification, risk profiling/targeting, technical reachback, data sharing, capacity-building, and referral of STMA violations.

## **SLIDE 8**

- To avoid overlapping regulation, the NSC-STMCom approved Resolution No. 6 on 24 May 2023. This harmonizes the regulatory jurisdiction between the STMO and the PNP-FEO. Under the Resolution, items that are already regulated by PNP-FEO are no longer subject to STMO's authorization requirements. This is a result of a series of interagency consultations and meetings among the members of the Subcommittee on Risk Assessment. This underscores the importance of interagency coordination and cooperation in effectively implementing the ATT, ensuring Philippine compliance while avoiding unnecessary regulatory burdens on legitimate businesses.