

## Issues: Saving Paper and Ink

When government agencies are forthcoming, some issues can be resolved even before the White Paper gets printed.

â€§Saving Paper and Ink - By Don Shapiro

â€§Putting an End to Waste - By Don Shapiro

â€§What's the Beef? - By Anita Chen and Don Shapiro

Not every issue of major concern to the various AmCham committees makes it into the Taiwan White Paper. Occasionally the communication with government agencies that is part of the White Paper preparation process leads to the resolution of problems before it is time to proceed with publication.

One such example this year comes from the Medical Devices Committee. Its original position-paper draft called for simplification of the registration procedures being introduced for Class-1 medical devices ' low-risk products that are exempt from registration in most developed countries. The committee suggested that instead of issuing individual licenses for each separate product by brand name, the Department of Health (DOH) treat such products by broad category only (for example "manual surgical instruments for general use'). At a meeting to discuss potential White Paper issues, officials from the DOH's Bureau of Pharmaceutical Affairs agreed, and the new system has already started to be implemented.

Another instance was reported by the Banking Committee. Included in the first draft of its position paper was an item noting that banking regulations, written with multi-branch retail banks in mind, have customarily been applied to the industry as a whole. That practice ignored the very different business operations of single-branch wholesale banks (all of them foreign-invested), and imposed unnecessary burdens and an increased cost of doing business on those banks if they were to stay within the letter of the law. Two such blanket regulations were requirements that all banks establish a Customer Complaint Hot line, and that all foreign-exchange-licensed banks provide retail cash exchange services. When the issue was raised during a coordination session between representatives of the committee and the Bureau of Monetary Affairs, BOMA Director General Gary Tseng promised to exempt the wholesale banks from rulings irrelevant to their circumstances ' and the item was dropped from the position paper.

For AmCham and its committees, it is always gratifying to find government agencies adopt a proactive attitude in addressing issues that impact on the business climate. If problems can be solved early before the White Paper goes into print, so much the better.

' By Don Shapiro

Putting an End to Waste

The EPA will be seeking input on a proposed new law to encourage substantial increases in the amount of recycling.

Due to Taiwan's population density and the scarcity of suitable sites for landfills or incinerators (in large part because of communities' "not-in-my-backyard" attitude), the government is actively promoting recycling so as to drastically reduce the volume of both industrial and municipal waste to be disposed of. But the authorities have discovered that contradictions between two laws currently on the books ' the Waste Disposal Act (WDA) of 1974 and the Resource Recycling Act (RRA) of 2003 ' present a major obstacle to progress in this regard. The WDA is far more restrictive, and since it has been in effect for so long, government officials tend to be more familiar with its provisions.

The Environmental Protection Administration (EPA) has therefore begun drafting a new statute to replace the two laws and to reconcile the differences by giving primacy to recycling. The target date for completing the first draft is the end of June, after which the EPA will hold a series of public hearings and consultative meetings with industry. A proposed bill is slated to go to the Executive Yuan for review by the end of the year, and to be presented to the legislature in 2006.

If enacted, the new law would represent a major conceptual shift, says Chen Hsiung-wen, director general of the EPA's Bureau of Solid Waste Management. At a recent presentation to a joint meeting of the AmCham and European Chamber (ECCT) environmental protection committees, Chen explained that henceforth waste is to be considered as a prospective resource ' and to the extent that is technologically and economically feasible, all waste should be reused or recycled. Instead of relying on what he called the out-of-date notion of "end-of-pipe control," the EPA will take the broader view of "life-cycle management.'

That policy direction appears to enjoy broad support from those concerned with sustainable development. But several attendees at the meeting also urged the EPA to continue to liaise closely with AmCham and ECCT to ensure that the voice of multinational business is heard as details of the proposed bill are hammered out. The experience last year with the EPA's effort to reduce excessive packaging for certain consumer goods provides an instructive case study (see "Wrapping up an Environmental Issue" in the December 2004 TOPICS). The objective was admirable, but the potential impact on the business sector was not fully considered at the initial stage.

Eventually extensive communication between the EPA and the foreign business community led to regulations that were widely acceptable. As the new recycling law is put together, starting that communication early in the drafting process would help ensure the smoothness and effectiveness of the exercise.

' By Don Shapiro

### What's the Beef?

The import ban has been lifted after careful scrutiny of potential health risks, but some continued to question that decision.

The mid-April return of U.S. beef to Taiwan's supermarkets, restaurants, and dinner tables was warmly welcomed by consumers, as evidenced by the brisk sales that ensued. Previously the world's sixth largest buyer of U.S. beef products, Taiwan had banned such imports for 15 months following a case of bovine spongiform encephalopathy (better known as "mad cow disease") in a single cow, of Canadian origin, in Washington State.

But it seems that not everyone was pleased by the conclusion of the Department of Health (DOH), after a long and detailed scientific study, that imports under certain conditions would pose no risk to public health (the conditions are that the meat has to come from animals less than 30 months old, and may not include bones, offal, spine, or brain).

For the non-profit Consumer Foundation, the issue was another not-to-be-missed opportunity to demonstrate its zeal in standing up for consumer interests, whether real or imagined. It questioned why Taiwan should drop the ban before such other countries as Japan and Korea had acted first, and it proposed that U.S. beef in supermarket display cases be labeled with a warning that the source was an infected area.

At that point the government's Consumer Protection Commission (CPC) apparently felt compelled to demonstrate that it too had the public's well-being at heart. Convening a meeting with major food distributors, with representatives of some other government departments also in attendance, the CPC raised several matters for discussion. For one, it sought assurances from retailers that the beef would be clearly identifiable by consumers as coming from the United States. That was determined to be no problem, since most stores had prepared special promotional displays and considered the country of origin to be a positive selling point. Another request, which the distributors readily agreed to, was that copies of the authorization documents from the U.S. Department of Agriculture be displayed at the point of sale, or at least be available if consumers asked to see them.

That left the point raised by the Consumer Foundation of requiring labeling that the beef was from an infected area ' a step that would certainly discourage purchases and might in fact create unwarranted consumer worries about health risks. The DOH representative seemed to put the matter to rest by stating forcefully that the Department had full confidence in the thoroughness of the investigation process it went through before reaching its decision.

Since millions of Americans have been eating beef daily for the past year and a half without incident, and since no other problem case has arisen since 2003, there would seem to be no logical reason to challenge the DOH's professional judgment.

' By Anita Chen and Don Shapiro