# [ DDB BOARD REGULATION NO. 2, SERIES OF 2009, April 21, 2009 ]

## IMPLEMENTING GUIDELINES FOR THE IMPLEMENTATION OF BOARD REGULATION NO. 6, SERIES OF 2007, ENTITLED CLASSIFYING TOLUENE-BASED CONTACT CEMENT PRODUCTS WITHOUT AT LEAST FIVE PERCENT (5%) MUSTARD OIL CONTENT AS DANGEROUS DRUGS

**WHEREAS,** the Board promulgated Board Regulation No. 6, Series of 2007 classifying as dangerous drugs toluene-based contact cement products without at least five percent (5%) mustard oil content;

**WHEREAS,** the Board, under Board Resolution No. 30, Series of 2008, directed the Legal Affairs Division of the Dangerous Drugs Board Secretariat to draft the implementing guidelines for the aforementioned Board Regulation No. 6;

**WHEREAS,** the Legal Affairs Division, in consultation with the Committee on Public Hearings, Technical Working Group, manufacturers and importers of contact cement products and other stakeholders, has submitted to the Board the draft of the required guidelines for the said Board Regulation No. 6;

**NOW, THEREFORE,** be it **RESOLVED,** as it is hereby **RESOLVED,** to promulgate these Implementing Guidelines:

### Article I Coverage

SECTION 1. Coverage - These Implementing Guidelines shall cover all importers, exporters, manufacturers, distributors, retailers, end-users and handlers of Toluene-based contact cement products;

### Article II Definition of Terms

SECTION 1. Definitions – The following are the definition of the terms used in these Implementing Guidelines:

**a. "Contact Cement"** - is a synthetic adhesive that is applied to one or both of the surfaces to be joined, with the surfaces then being brought into contact;

**b.** "Dangerous Drugs" include those listed in the Schedules annexed to the 1961 UN Single Convention on Narcotic Drugs, as amended by the 1972 Protocol, and in the Schedules annexed to the 1971 UN Convention on Psychotropic Substances, which are annexed to R.A. 9165, as well as those

classified as such by the Dangerous Drugs Board pursuant to Section 93, Article XI of RA 9165;

**c.** "**Distribution**" means the sale of Toluene-based contact cement products on a wholesale basis;

**d.** "**Export**" means any physical departure of Toluene-based contact cement products from the territory of the country which requires customs declaration;

**e. "Import"** means any physical introduction of Toluenebased contact cement products into the territory of the country which requires customs declaration;

**f. "Industrial Use"** - is the use of Toluene-based contact cement products in the normal course of the industry of the end-user;

**g.** "**Manufacture**" means the production, preparation, compounding or processing of Toluene-based contact cement products, either directly or indirectly or by extraction from substances of natural origin or independently by means of chemical synthesis, and shall include any packaging or repackaging of such substances, design or configuration of its form, or labeling or re-labeling of its container;

**h.** "Mustard Oil" is a colorless to pale yellow pungent irritating oil that is obtained by distillation from the seeds, usually of black mustard, after expression of the fatty oil and maceration with water, or through chemical synthesis, that consists largely of a chemical allyl isothiocyanate, a volatile compound with a characteristic of pungent odor capable of inducing eye tears;

i. "PDEA" refers to the Philippine Drug Enforcement Agency;

**j. "Person"** means any person or entity, natural or juridical, including among others, a corporation, partnership, trust or estate, joint stock company, association, syndicate, joint venture or other unincorporated organization or group capable of acquiring rights or entering into obligations, engaged in the importation, manufacture, distribution and sale of contact cement products classified as dangerous drugs;

**k. "Retail"** means the sale of Toluene-based contact cement products on retail basis;

**I. "Toluene"** - is a colorless, flammable, toxic liquid hydrocarbon aromatic compound with a chemical formula of  $C_6H_5CH_3$  which is the methyl derivative of benzene, 653 found in coal-tar light oil and in petroleum and is obtained chiefly from the processing of petroleum fractions. It is included in Table II of the 1988 UN Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances.

#### Article III General Guidelines

SECTION 1. Dangerous Drugs – Pursuant to Section 2 of Board Regulation No. 6 Series of 2007, Toluene-based contact cement products without at least five percent (5%) mustard oil content are classified as "Dangerous Drugs". (It shall hereafter be referred to in these Implementing Guidelines as the "dangerous drug");

SECTION 2. Mustard Oil – The mustard oil may be natural or synthetic. The required mustard oil content shall be based on the total weight/volume of the Toluene content of the contact cement product as stated in the product label, carton or other container;

SECTION 3. Markings of Mustard Oil Content in Product Labels - The product labels, cartons or other containers of Toluene-based contact cement products with at least five percent (5%) mustard oil content shall indicate the presence of such additive and the percentage content thereof relative to the total weight/volume of the Toluene content of the contact cement product;

SECTION 4. Obnoxious Odor and Volatility - The obnoxious odor of the contact cement with at least five percent (5%) mustard oil shall be present and maintained from the time of manufacture or importation of the product until the same is utilized by the end-user, and/or the volatility of the mustard oil shall be less than that of the toluene content of the product;

SECTION 5. Effect of Non-Compliance with Sections 3 and 4 hereof – The non-compliance with Sections 3 and 4 of this Article shall make the product a "dangerous drug" notwithstanding the presence of at least five percent (5%) of mustard oil thereof.

#### Article IV

## Licensing and Permit Requirements for Transactions of Contact Cement Products Classified as Dangerous Drugs

SECTION 1. License and Permit Requirements

a. No person shall manufacture, distribute or retail the dangerous drug, except pursuant to and in accordance with the terms and conditions of a license granted by the PDEA.

b. No person shall import, export, bring into the Philippines in transit, or redirect from the Philippines while in transit, the dangerous drug except pursuant to and in accordance with any of the terms or conditions of:

1. License issued by the PDEA authorizing the person to carry out such activities; and

2. Separate import permit, export permit, transit permit or redirection permit, as the case may be, authorizing the person to carry out the specific transaction as indicated in the permit application. c. Transfer or delivery of the dangerous drug from a license holder to another license holder, except retail sales, shall be made with the prior approval of the PDEA.

d. Unless specified otherwise, the following groups of activities are deemed to be independent of each other and shall have separate registration and license:

1. Importation, for wholesale distribution or as industrial end-user

2. Exportation

3. Manufacturing

4. Wholesale distribution

5. Retail

6. Storage of the dangerous drug in separate address or addresses

7. Industrial use from local source

8. Laboratory analysis or technical or teaching program

e. A person shall secure from the PDEA as many licenses as he has places of business and/or activities. Any person conducting two or more types of business at the same location shall secure from PDEA a license for each type of business. For this purpose, the PDEA shall issue a consolidated license detailing the type of activities and corresponding license.

#### SECTION 2. Application for Licenses

a. An applicant shall apply in writing to the PDEA for the grant of a license and specify:

1. Full name, private and business address of the applicant;

2. Each activity to which the application relates;

3. If the applicant is a company, the full name and residential address of each director and the company secretary;

4. If the applicant proposes to engage in the activity under a business name, that name;

5. Brand name of the dangerous drug to which the application relates and the address of each place where the proposed activity would be carried out;

6. Premises where the dangerous drug will be stored;

7. Security arrangements that would be implemented at each address (storage, access, type of building construction, alarm systems, adequacy of supervision over employees having access, procedure of handling guest and maintenance personnel, adequacy of system for monitoring receipt), and the distribution and disposition of the dangerous drug; 8. Name, residential address and qualification of each person under whose supervision the activity would be carried out:

9. Whether the person (and if the company, any director or the company secretary) has ever been convicted in the Philippines or elsewhere for a serious offense or any offense however described relating to trafficking in dangerous drugs or their respective preparations;

10. Volume estimate in the forthcoming year and volume statistics for the past year of dangerous drugs; in the case of manufacture, the extraction, manufacturing and denaturing procedure to be used, name and quantities of the substances and raw materials to be used, estimates relating to the dangerous drug produced;

b. An application for license shall be accompanied by:

1. A plan of each of the relevant premises, indicating where the dangerous drug would be stored, and the location and nature of any security device(s);

2. Registration with the Philippine Export Zone Authority or Board of Investments, as applicable;

3. Business permit or certificate of registration issued by the local government unit, Department of Trade and Industry or Securities and Exchange Commission;

4. National Bureau of Investigation (NBI) clearance;

5. The prescribed fee; and

6. Other requirements as the PDEA may prescribe.

#### SECTION 3. Application for Import, Export or Transit Permits

a. An application for an import, export or transit permit shall be made in writing by a licensee to the PDEA at least fifteen (15) working days in advance before the transaction is to take place and specify:

1. The full name and address of the importer, exporter, carrier, consignee and if known, of any ultimate consignee;

2. In the case of a proposed import, export or transit of the dangerous drug, its trade name or brand name;

3. The quantity, mass and volume of the dangerous drug;

4. The date or period within which the planned import, export or transit is to take place;

5. The planned transport route, if known, including the planned point of entry or exit from the Philippines; and

6. In the case of proposed import of the dangerous drug to a bonded warehouse, the identity and address of the warehouse.