

The Strategic Approach to International Chemicals Management

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The Strategic Approach to International Chemicals Management (SAICM) is a United Nations (UN) initiative designed to set up a global chemicals agency to coordinate management of chemicals, wastes, and other substances on a global scale. The program is dubbed as a voluntary initiative through which “stakeholders” will engage in efforts to ensure safe management of chemicals. Such efforts include information sharing, harmonization of chemical risk standards and labeling, and training. In addition, SAICM is supposed to ensure ratification and implementation of environmental treaties, but how those goals will be pursued is unclear. Proponents argue that centralization of chemical policy is important because of the number of chemicals in world commerce today—some estimates range up to 100,000—and because

of estimates that place chemical production as increasing by 80 percent within the next 15 years.¹

History and Background of SAICM

SAICM began as an item discussed in chapter 19 of *Agenda 21*,² an action plan agreed to at the UN Conference on Environment and

1. “Ministers Reach Global Agreement on Sound Management of Chemicals,” *European Report*, February 11, 2006.

2. United Nations Department of Economic and Social Affairs, “Environmentally Sound Management of Toxic Chemicals, Including Prevention of Illegal International Traffic in Toxic and Dangerous Products,” in United Nations Conference on Environment and Development, *Agenda 21: Earth’s Action Plan*, UN Doc. A/CONF.151/26, chapter 19 (New York: United Nations,

Development, held in Rio de Janeiro, Brazil, in 1992. The conference also released the *Rio Declaration*, which outlined environmental goals. The *Agenda 21* action plan proposed a system for global chemicals management. Since then there have been three international meetings on SAICM, and during the last meeting, held in February 2006, several documents were finalized that form the SAICM program: the high-level policy declaration called the “Dubai Declaration,” the “Global Action Plan,” and the “Overarching Policy Strategy.”³ Also during the 2006 meeting, the parties to the agreement established the Chemicals Secretariat in the UN to administer the program.

SAICM and the Precautionary Principle

During the SAICM international meetings, the United States opposed language that set the “precautionary principle” as an object of the program—an approach that demands that products be proven safe before entering the marketplace. Domestically, U.S. regulators follow a more risk-based approach, assessing the risks of products and setting regulations that allow an “acceptable” level of risk. Under the present U.S. system, regulators must demonstrate that products are unsafe before removing them from the market. Although this approach often produces very restrictive regulations—including bans of many products—it provides some protection against arbitrary governmental coercion.

In contrast, the precautionary principle reduces regulatory accountability by shifting the burden of proof. It demands that manufactur-

ers prove that their products are safe before allowing them to enter into, or continue in, commerce. Because nothing in life is 100 percent safe, the precautionary principle means that governments can regulate products simply because they decide that products *might* pose public health risks—making regulation arbitrary and subject to political whims. During SAICM negotiations, policymakers removed language on the precautionary principle from the document, which now states that the program will “take into account” the wording of the Rio Declaration. Although this language creates some confusion as to whether the program will follow the precautionary principle, there is reason to believe that it eventually will take a precautionary approach, because the Rio Declaration endorses the principle.

Policy Implications

SAICM represents a policy whose scope is as extensive as that of the Kyoto Protocol on climate change,⁴ which seeks to control use of the world’s energy. SAICM covers the other half of the universe. Whereas the Kyoto Protocol attempts to regulate the world’s energy, SAICM seeks to manage matter—all nonliving physical objects on Earth. SAICM is seen as innocuous because it is considered a voluntary effort. Yet despite its nonbinding nature, SAICM is likely to possess a substantial policy role—setting global standards that will likely become models for governments to follow as the basis for environmental treaties and other international agreements that, unlike SAICM, will be binding.

2005) <http://www.un.org/esa/sustdev/documents/agenda21/english/agenda21chapter19.htm>.

3. These documents can be found online at <http://www.chem.unep.ch/saicm>.

4. The Kyoto Protocol to the United Nations Framework Convention on Climate Change was adopted on December 11, 1997. The text of the protocol can be found at http://unfccc.int/essential_background/kyoto_protocol/items/2830.php.

In fact, one of SAICM's key goals is to ensure that all existing treaties related to chemical and waste disposal are ratified and become subject to implementing legislation in the various nations. The United States, a likely target of ratification and implementation efforts, has yet to ratify a number of treaties, including the Stockholm Convention on Persistent Organic Pollutants,⁵ which bans a number of chemical internationally, and the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal,⁶ which regulates shipment of hazardous wastes.

SAICM's "Global Action Plan" offers an idea as to the program's ambitious agenda for chemicals. It includes nearly 300 "concrete measures" for the various stakeholders to pursue. Many of these measures are restrictive in nature, including, for example intentions to "restrict availability of" or "substitute" "highly toxic pesticides"; "promote substitution of hazardous chemicals"; "regulate the availability, distribution, and use of pesticides"; "halt the sale of and recall products" that pose "unacceptable risks"; and "eliminate the use" of certain "hazardous chemicals."⁷

SAICM and REACH

Another reason to believe that SAICM will have a substantial regulatory role is that many

5. Stockholm Convention on Persistent Organic Pollutants, May 23, 2001, 40 I.L.M. 532, http://www.pops.int/documents/convtext/convtext_en.pdf.

6. Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal, March 22, 1989, 28 I.L.M. 649, <http://www.basel.int/text/con-e-rev.pdf>.

7. Draft Global Plan of Action, SAICM, July 21, 2005, <http://www.chem.unep.ch/saicm/meeting/prepcom3/en/3-4%20GPA.pdf>.

proponents see it as the perfect vehicle for the European Union to globalize its REACH program, which became law in December 2006. REACH—which stands for Registration, Evaluation, and Authorization of Chemicals—applies a precautionary approach to chemical regulation that will be followed by government regulation, demanding that firms demonstrate safety through a complicated registration and information collection program that will inevitably result in the ban of some products.

SAICM and Public Health

Although it is true that some of SAICM's goals are reasonable, such as ensuring that developing nations gain information regarding the proper handling of chemicals, the program is likely to fail when it comes to attaining these goals. It will fail for the same reasons that centralized economic planning has failed: government officials are too removed from the many diverse problems that individuals face in a society and lack the information necessary to solve those problems. Uniform policies will not work in the various situations around the world; such political processes tend to serve organized players rather than the common good, and policy goals are often based on misperceptions.

Market economies are better situated to address problems associated with chemicals management and some of the larger problems that hinder human well-being in developing nations. Indeed, many of the serious problems that SAICM proposes to address—such as developing nations' mismanagement of dangerous substances because of their lack of resources to pursue policies for proper handling—could be solved through the promotion of economic growth, not through expensive

global governance. The costs of SAICM will likely have the opposite result: SAICM will divert resources from more important issues and undermine commerce and economic development.

In fact, most of the world's serious environmental problems are the effects of poverty in developing nations. According to a 2001 World Bank study, *Environment Strategy Papers: Health and Environment*,⁸ the most prevalent global environmental problem is inadequate sanitation, an issue that only economic growth can address through improved infrastructure and increased access to chemical disinfectants, such as chlorine. Next on the list of problems is limited access to modern energy sources, including electricity and fossil fuels. The lack of such amenities means that the rural poor around the world rely on burning biomass fuels—such as cow dung—in their homes as an energy source. Resulting pollution leads to an estimated 1.7 million deaths associated with respiratory illnesses each year.⁹

Meanwhile, UN bureaucrats fret that someone might consume trace levels of chemicals found in plastic packaging. Yet increased use of such packaging would actually benefit the world's poor—rather than increase risks. That is because the absence of such sanitary packaging and refrigeration in developing nations contributes to food spoilage (and shortages) and the spread of infectious agents, which kill tens of thousands of people every year.

SAICM is not the solution to such problems and arguably represents a serious misallocation of limited resources. Indeed, developing

nations cannot afford the regulatory burdens proposed by many of the world's environmental treaties, and many of these treaties promise to undermine economic growth. For example, a study by Liberty Institute in India shows that the Basel Convention has proved counterproductive and detrimental to development in poor nations.¹⁰

SAICM is also unlikely to improve public health in developed nations by reducing cancer rates as its proponents believe it will do. The section on chemical risk in *The Environmental Source* details why policies like SAICM are likely to have few public health benefits.

Conclusion

SAICM represents a major international policy development, and businesses may soon be caught by surprise after the SAICM Secretariat begins to affect policy around the world. And even though SAICM is primarily intended to assist developing nations with the management of chemicals, developing nations stand to lose the most from the program, which seeks to impose burdensome regulations.

Key Contact

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8. Kseniya Lvovsky, *Environment Strategy Papers: Health and Environment* (Washington, DC: World Bank, 2001).

9. Ibid.

10. Prasanna Srinivasan, "The Basel Convention 1989: A Developing Nation's Perspective," Liberty Institute, Delhi, September 24, 2001, http://www.libertyindia.org/pdfs/basel_convention_srinivasan.pdf.

Recommended Readings

Logomasini, Angela. Earth Sense in the Balance. National Review Online, September 23, 2005, <http://www.cei.org/gencon/029,04853.cfm>.

Logomasini, Angela. *The U.N.'s Strategic Approach to International Chemicals Management Program Stealth Attempt at Global Regulation*. Washington, D.C.: Competitive Enterprise Institute: March 29, 2006, <http://www.cei.org/utills/printer.cfm?AID=5233>.

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