



**Cebu Green Trade Organization  
Philippines, Inc.**

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**SEA SHELL AND SHELL CRAFTS INDUSTRY SECTOR OF CEBU  
POSITION PAPER ON THE PROPOSED TOTAL BAN AND PROHIBITION ON THE EXPORT OF  
ALL SPECIES OF SEA SHELLS AND MARINE LIFE**

WHERE AS, In light of the recent developments concerning the smuggling and the eventual apprehension and confiscation of corals and other endangered marine species, there is a proposal to impose a TOTAL BAN on the trade and export of ALL SPECIES of SEA SHELLS;

We, the members of the SEA SHELL AND SHELL CRAFTS INDUSTRY sector of the Province of Cebu, hereby MANIFEST OUR POSITION and that it be known to all parties concerned and the general public;

**I. DECLARATION**

**THAT, ALL THE MEMBERS OF OUR SECTOR IN CONSONANCE WITH THE PHILIPPINE GOVERNMENT, HEREBY CONDEMN, IN THE MOST VIGOROUS AND STRONGEST POSSIBLE TERMS, THE ILLEGAL GATHERING, TRADE AND COLLECTION OF CORALS, SEA TURTLES AND ALL OTHER MARINE SPECIES THAT ARE OTHERWISE PROHIBITED AND PROTECTED UNDER THE LAWS OF THE REPUBLIC, AND THOSE UNDER APPENDIX A OF THE CONVENTION ON INTERNATIONAL TRADE OF THREATENED AND ENDANGERED SPECIES (C.I.T.E.S.)**

**WE FURTHER DECLARE, THAT OUR SECTOR DO NOT TOLERATE SUCH ILLEGAL ACTS, NEITHER DO WE CONDONE SUCH ACTS COMMITTED BY ANY OF OUR MEMBERS.**

**HOWEVER, THE PROPOSAL OF SEN. MIGUEL ZUBIRI AND AS OPENLY SUPPORTED BY CEBU GOVERNOR GWEN GARCIA, TO IMPOSE A TOTAL BAN ON THE EXPORT OF SEA SHELLS AND SHELL CRAFTS PRODUCTS, EVEN IF THEY ARE NOT ON THE ENDANGERED OR PROHIBITED LIST - AS A METHOD TO DETER AND CURB SUCH ILLEGAL TRADE - CUTS ACROSS THE VERY ECONOMIC FABRIC AND LIBERTY OF MILLONS OF FIIPINOS WHO DEPEND ON THIS INDUSTRY FROM THE LEGAL AND LEGITIMATE HARVESTING AND TRADE OF OTHERWISE NON-PROHIBITED SPECIES, THAT IS ALLOWED BY LAW, FOR SUSTINENCE AND LIVELIHOOD EVER SINCE THE GENERATION OF THEIR FOREBEARS.**



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**THE CIRCUMSTANCES MENTIONED ABOVE, HAS PROMPTED US, TO RAISE OUR VEHEMENT OBJECTION AND OPPOSITION TO THE PROPOSED TOTAL BAN ON THE TRADE AND EXPORT OF ALL SPECIES OF SEA SHELLS, PENDING A THOROUGH CONSULTATION AND AN IN-DEPTH STUDY BY ALL THE STAKEHOLDERS INVOLVED, INCLUDING THE GENERAL PUBLIC AND EXPERT SCIENTISTS.**

**FURTHERMORE, WE WOULD LIKE TO RAISE THE AWARENESS OF POLICY MAKERS, ENVIRONMENTALISTS AND THE PUBLIC AS WELL, AS TO THE FACTS AND REALITIES WITHIN OUR SECTOR, NOT ONLY TO REMOVE THE STIGMA ATTACHED TO THIS INDUSTRY AS “MURDERERS OF THE OCEAN AND IT’S INHABITANTS” BUT MORE IMPORTANTLY, TO EDUCATE ALL STAKEHOLDERS SO THEY CAN MAKE INFORMED DECISIONS AND A FAIR AND BALANCED VIEW OF THE ISSUES AT HAND.**

## **II. STATEMENT OF FACTS**

There has never been any comprehensive and conclusive study of the sea shell industry as an entire sector, thus, the following facts and figures are based on the collective data, individual studies & research, and, from educated estimates of the members of our sector.

Therefore, the following are still open to questioning, comments, debate and most importantly, additional inputs from those that may have relevant information involving this industry.

### **A. HISTORY AND INDUSTRY PROFILE**

The Sea shell and shell crafts industry was thought to have started several decades ago, during the early 1960’s when Western sea shell collectors / buyers came to Cebu to buy sea shells and started the trade in their home countries. Eventually the sea shell trade flourished and in a span of more than five decades, the creativity and craftsmanship of the Cebuanos, coupled with developments in production techniques and market demand, eventually turned the lowly, discarded sea shells, a waste of the food chain into products that have made their mark in the international market.

Since the entire sea shell and shell crafts industry worldwide was thought to have started in Cebu, foreign buyers consider Cebu as the “Sea shell Capital of the World” not just because of our locally harvested sea shells, but because more and more countries are exporting their own local shells to Cebu, in raw form for cleaning and processing and



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eventual re-export. This includes not only the reject of the fishing industry and the food chains, but also the gigantic waste products from the pearl industry.

Over several decades, sea shells have become an integral raw material that brings in added value to the products of several hundred companies in Cebu, that are otherwise not widely known or categorized as part of the sea shell industry, but have long been using sea shells as an important component in their own range of products.

These companies are, from the furniture industry that uses Mother of Pearl and other sea shells as surfaces for hand-inlaid table tops and furnishings. Then there are most, if not all of the companies in the famous Fashion Accessories and Jewelry Industry that use several species of sea shells as components, if not center-pieces of their product lines. There is also the Gifts, Toys and House wares sector that uses whole sea shells or components made of sea shells to bring the indigenous, ethnic and tropical look to their products. There is also the specialty button manufacturers that use sea shells for buttons that have graced the designer garment lines of very famous international brands and for centuries the buttons of the Philippine “Baron”, our national trade mark.. Lastly, the seafood industry sector, who buys sea shells to extract the meat and process them for eventual export to all parts of the world.

In summary, the entire sea shell industry encompasses the entire archipelago, from Batanes to Sitangkai, and the majority of the creative industry that produce products that this country has been renowned for.

### **B. CATEGORIES OF USE**

The purpose for the trade and use of sea shells maybe loosely classified as follows:

1. Display, Ornamental, Crafts and Novelties
2. Fashion Accessories and Jewelry components
3. Furniture inlay material
4. High end and High fashion Buttons and Watch dials
5. Seafood processing



### **C. SOURCES AND SUPPLY**

The trade in sea shells has started more than five decades ago, and as such the industry has already built a network of suppliers from all parts of the country. Every coastal town, in every island in the Philippines has a sea shell dealer / supplier. Although there has not been any comprehensive study to come up with conclusive figures, the following are our best estimates:

1. Close to 98% of the supply of sea shells are by-products of private consumption and the processing of shell meat.
2. Around 1% are dived deep water species that are mostly traded as museum material, collector or scientific specimens. This brings the prestige to the country..
3. Around 1% are imported sea shells from around the world.

### **D. MARKET AND BUYERS**

1. Local - demand are mostly for raw shells used for Inlay, Fashion accessories and button making for eventual export.
2. Local Seafood – local demand for this market is for the meat only for processing and eventual export.
3. International Raw unprocessed – Over 90% of the demand comes from China, for use by their own similar industry that directly competes with ours in the international market.
4. International Crafts and Ornamental shells – this market represents products made of sea shells and shell crafts/novelties.
5. International Specimen – a very thin segment of the market representing collectors, museums, scientific organizations that collect sea shell specimens.



## **E. BANNED AND PROHIBITED SEA SHELLS**

While it is true that all the apprehended shipments during the last few weeks contained banned and prohibited sea shells, it is important to note the following:

1. The Philippines has close to 8,000 species of already discovered sea shells. Of this, around 4,500 species have already been identified and documented while close to 3,500 species are yet to be identified and described. Yet, almost every day, there is a new specie of sea shell that is being discovered. Scientists estimate the total number will be around 12,000 species.
2. Of this number only a handful are on the prohibited list, or around twenty (20+) species which represents about 0.25 % of the entire species-count by far. In contrast, we are destroying our virgin forest cover at a rate several hundred times that. We are also mining our minerals and destroying wildlife habitats at a rate of several hectares per day, without considering the fact that it will take millions, if not billions of years and multiple geological phenomena, to renew the source of these minerals. Some industries, such as the algae industry destroys a hundredfold the number of shells used by the shell trade.

Sea shells and the entire fishery industry for that matter, if managed properly is a far more renewable resource as compared to minerals, oil, gas or forest. Today, less than 1% of the consumed shells go to the shell trade sector, which is a gigantic waste of income for the country.

3. Of the apprehended shipments, only three species of sea shells that were confiscated were on the prohibited list, namely, the Yellow helmet, Triton or Trumpet shell and Giant clams. Interestingly, these species are not banned or prohibited in other countries and are being harvested and traded legally in those countries. They are very common from east Africa to Polynesia. They should not be called “endangered” at all as the reverse is true, they proliferate. It is a mystery how these shells were advised to be prohibited.
4. The Sea shell and Shell craft industry sector **DO NOT USE OR BUY** any of the sea shells under the prohibited list but rather **Use THREE HUNDRED FIFTY (350 ) SPECIES** that are **NOT PROHIBITED AND ARE LEGALLY AVAILABLE FOR HARVESTING AND TRADE.** ( Read Dr. L. V. Laureta’s book on Economic Philippine Shells 2008.)



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### F. LEGITIMATE BUSINESS VS. POACHERS / SMUGGLERS

The following are relative comparison in behavioral patterns between those in the trade in GOOD FAITH and those that are ENGAGED IN ILLEGAL ACTS:

1. Legitimate Export companies and businesses are wholly-owned by Filipinos who have been in this industry for a very long time. They are very passionate about their products, and are proud to present their respective companies and products to the whole international community.

On the other hand, POACHERS / SMUGGLERS who have been identified are Asian Expats, registering their business under the names of unwitting Filipinos, mostly dealing in ILLEGAL AND PROHIBITED SPECIES. They do not go to trade fairs, or become members of any trade organization. In fact, they keep a very low profile, and under the radar so as not to be readily identifiable by authorities.

2. Legitimate Export companies are engaged in value creation, by turning otherwise discarded waste, into products that put the creative skill and ingenuity of the Filipino craftsman on center stage. More importantly, by creating products, they create jobs and livelihood within the community.

In contrast, POACHERS / SMUGGLERS tend to deal mainly with ILLEGAL AND PROHIBITED SPECIES, as evidenced by the recent apprehensions and confiscations. Further, they ONLY SHIP THEM in RAW form to their home country, eventually to be supplied to THE SAME INDUSTRY THAT VIRTUALLY COMPETES WITH OURS in the international community. While doing this, they NOT ONLY EXPLOIT our resources but by not creating products, they do not create value, therefore THEY DO NOT PUT BACK TO ECONOMY, THE EQUIVALENT OF WHAT THEY HAVE TAKEN OUT from OUR RESOURCES.

3. Legitimate Export companies comply with all the legal documentary requirements that are required under the law, when exporting their products. They go through the tedious process of naming all the sea shells species that are used in their products, seek approval from the BFAR or Bureau of Fisheries and Aquatic Resources, before the BOC or Bureau of Customs stamps approval of the shipment.

Conversely, POACHERS / SMUGGLERS FALSELY DECLARE the items they are shipping, i.e. RAW RUBBER instead of SEA SHELLS, and even using poor Filipinos as fronts by paying them to sign-in as the consignee. Most of the time they do not declare the real shipper and at times use a fictitious name as Consignee. This is evidently a manifestation of their CLEAR and MALICIOUS INTENT TO SMUGGLE these illegally harvested marine products.





## **G. RATIONALE**

We are deeply saddened by this proposal, and the seeming support by local officials, without a deeply thought-out engagement with the stakeholders of this issue. It is in effect condemning an entire tree, because of one dead branch.

We as a sector do admit that there are unscrupulous businesses that are engaged in illegal trade. But then, what industry is free from illegal acts? We do not find it reasonable that because of a few illegal activities, the government should put an entire industry affecting millions of people, to economic oblivion.

If this line of thinking shall be applied to all illegal acts, then the following shall hold true:

1. There is rampant smuggling of rice, therefore, there should be a TOTAL BAN on the importation of rice?
2. There is rampant smuggling of used and stolen vehicles, therefore, there should be a TOTAL BAN on the importation of ALL VEHICLES including CKD ( Completely Knocked Down ) units which is legal under the law?
3. There is rampant smuggling of used clothing or “ukay-ukay”, then there should be a TOTAL BAN on the importation of used clothing, even those that are donated by charitable institution for donation to charity?
4. There is rampant illegal logging, therefore there should be a TOTAL LOG BAN THAT INCLUDES ALL INDUSTRIAL FOREST, AS THEY ARE USED AS FRONTS SO THEY CAN CONTINUE CUTTING DOWN TREES?
5. The Algae “SEAWEED” Trade destroys more marine life than has ever happened in the history of the country, but it is only limited to a few hundred square kilometers of coral out of 27,000, therefore, there should be a TOTAL BAN on seaweed farming?
6. The list can go on, until no industry is left out.



## H. ECONOMIC IMPLICATIONS

This proposal will have a profound and significant impact on the Cottage, Micro, Small and Medium scale exporters that comprise the majority of employment generating segment of our economy.

While we do not have the exact figures, perhaps Phil Export will agree that the following industries and respective chambers will be greatly affected, and therefore we are asking for their engagement as well:

1. CFIF – Chamber of Furniture Industries Foundation
2. FAME – Fashion Accessories Manufacturers and Exporters
3. GTH – Gifts Toys and House wares
4. Seafood Processing sector

## I. SUGGESTIONS

The laws and legislation are already in place- **they are among the best and most severe in southeast Asia**. The proposed ban will create major economic disadvantage, yet will still be ineffective against people who have the ILL - INTENT to continue with the illegal trade as they will always find a way or find people who are willing to their co-conspirators for economic reasons.

We therefore advocate the following actions both by the government and all the other industry stakeholders, to address this problem:

1. Enforcement – The laws are already in place, enforcement is they key.
2. There should be a concerted effort that includes the business themselves taking part in “policing their own ranks”
3. Expressing our support for the bill filed by Sen. Villar, amending The Fisheries Code of 1998, imposing higher and stiffer penalties for poaching.
4. There should be a dialogue among the stakeholders, the academe and the local government units.

**Wherefore, we the members of the Sea shell and Shell crafts Industry sector cordially request the local government of Cebu Province, Lapu-lapu city, and the office of Sen, Miguel Zubiri, together with representatives from BFAR, the BOC and Phil Export, and all other interested parties, that we be given the opportunity to air our concerns in a dialogue / forum on this issue.**