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de productos  
de Asbesto  
Cemento A.C.

Paseo de la Reforma 30  
2o. Piso C.P. 06040  
México, D. F.  
Tel. (905) 566-9006

PRESENTATION OF THE MEXICAN POSITION DURING THE  
ENVIRONMENTAL PROTECTION AGENCY INFORMAL HEARING (JULY 17, 1986)

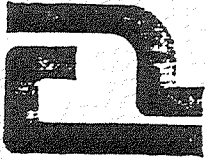
BY MR. LUIS CEJUDO ALVA  
GENERAL DIRECTOR

LADIES AND GENTLEMEN, I WOULD LIKE TO THANK YOU FOR AGREE-  
ING TO MY PARTICIPATION IN THIS INFORMAL HEARING ON THE PROPOSED  
ASBESTOS BAN AND PHASE DOWN RULE BY THE ENVIRONMENTAL PROTECTION  
AGENCY OF THE UNITED STATES (EPA). I AM ALSO GRATEFUL FOR THE  
FACT THAT OUR CONCERNS WILL BE TAKEN INTO ACCOUNT BEFORE ANY  
FINAL DECISIONS ON THE ASBESTOS ISSUE ARE MADE.

I HAVE THE HONOR TO INTRODUCE MR. MARIO RODRÍGUEZ MONTERO,  
MINISTER COUNSELLOR FOR TRADE & FISCAL AFFAIRS WHO ACCOMPANIES  
ME IN REPRESENTATION OF THE MEXICAN EMBASSY IN WASHINGTON.

FIRST OF ALL, LET ME TELL YOU THAT OUR GOVERNMENT AND OUR  
INDUSTRY AS A WHOLE, ARE DEEPLY WORRIED WITH EPA'S PROPOSAL TO  
BAN ASBESTOS. THE MAIN REASON BEING THAT WHATEVER COURSE OF  
ACTION TAKEN BY YOUR GREAT COUNTRY, IS OF TREMENDOUS INFLUENCE  
WORLD-WIDE, AND I WOULD SAY, IT AFFECTS EVEN MORE ITS' SOUTH  
OF THE BORDER NEIGHBOUR WHICH IS MEXICO. THESE DEVELOPEMENTS  
WOULD SURELY HAVE A NEGATIVE IMPACT ON OUR ECONOMY REDUCING  
OUR EXPORTS, HOWEVER LIMITED THEY MAY BE AFFECTING THE EMPLOY-  
MENT OF THE ASBESTOS AND ASBESTOS-CEMENT INDUSTRY, AND CREATING  
UNJUSTIFIED UNCERTAINTY IN OUR POPULATION.

WE RECOGNIZE THAT ASBESTOS WHEN HANDLED WITHOUT THE REQUIRED  
PRECAUTIONS, MAY BE OF RISK TO SUSCEPTIBLE PEOPLE SPECIALLY  
THOSE WHO SMOKE. THEREFORE, AS A RESPONSIBLE INDUSTRY NOT  
ONLY DO WE FOLLOW THE RULES AND REGULATIONS ESTABLISHED NA-  
TIONALLY AND INTERNATIONALLY BUT ALSO WE TRY TO BE ONE STEP  
AHEAD LOOKING FORWARD TO MORE AND BETTER WAYS TO REDUCE RISKS.



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ON THE OTHER HAND IMPORTANT PUBLICATIONS SUCH AS THE REPORT OF THE ROYAL COMMISSION OF THE ONTARIO GOVERNMENT CONCLUDE THAT THE CONTROL OF THE ASBESTOS DUST EXPOSURE AT LOW LEVELS CAN BE SOCIALLY ACCEPTED.

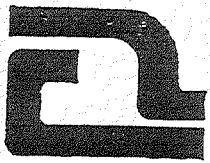
ALSO, IMPORTANT INTERNATIONAL BODIES SUCH AS, THE ORGANIZATION FOR ECONOMIC COOPERATION AND DEVELOPEMENT, THE WORLD HEALTH ORGANIZATION, HAVE CONCLUDED BASED ON THE BEST MEDICAL AND SCIENTIFIC EVIDENCE AVAILABLE, THAT THE BANNING OF ASBESTOS IS NEITHER DESIRABLE NOR NECESSARY.

MOREOVER, THE INTERNATIONAL LABOR ORGANIZATION, CONFIRMED JUST LAST MONTH THE ADVANTAGES OF THE CONTROLLED USE OF ASBESTOS, ISSUING THE CODE OF PRACTICE FOR SAFETY OF ASBESTOS 1986.

IT IS FOR THESE REASONS, THAT THE MEXICAN URBAN DEVELOPEMENT AND ECOLOGY SECRETARIAT AND THE LABOR DEPARTMENT OF THE MEXICAN GOVERNMENT, AFTER LONG AND CAREFULL STUDY OF THE ASBESTOS SITUATION AND OUR COUNTRY'S NEEDS, HAVE DETERMINED TO CONTROL THE USE OF ASBESTOS IN ORDER TO CONTINUE WITH THE COST EFFECTIVENESS AND SAFE USE OF THE PRODUCTS.

WE HAVE KEEN INTEREST IN DEFENDING ASBESTOS, MOST IMPORTANTLY BECAUSE OF THE TREMENDOUS NEED FOR WATER DISTRIBUTIONS AND ROOFS REQUIRED IN OUR COUNTRY.

IN ORDER TO MAKE OUR POSITION CLEAR, IT BECOMES NECESSARY TO EXPLAIN THE SITUATION OF OUR ASBESTOS-CEMENT INDUSTRY, OUR PRODUCTS AND MEXICO'S WATER DISTRIBUTION AND HOUSING SITUATION:



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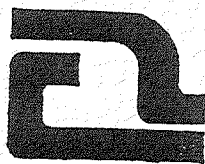
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## THE ASBESTOS-CEMENT INDUSTRY

LET US GO BACK TO 1930, WHEN THE FIRST ASBESTOS-CEMENT PLANT WAS BUILT. PREFERENCE WAS GIVEN TO THE ROOFING SHEETS AT THE BEGINNING AND LATER, PIPES AND WATER TANKS WERE INCORPORATED TO THE PRODUCTION. THROUGHOUT THIS TIME, DUE TO THE VERY IMPORTANT TECHNICAL AND ECONOMICAL CHARACTERISTICS OF THESE PRODUCTS, TWELVE MORE ASBESTOS-CEMENT PLANTS WERE INSTALLED IN STRATEGIC ZONES OF THE COUNTRY, WHICH HAS CLOSE TO TWO MILLION SQUARE KILOMETERS. DUE TO THE LOCATION OF THESE FACTORIES, THE MARKET TODAY HAS AN ADEQUATE DISTRIBUTION AND INDUSTRY CAN RESPOND TO THE GROWING DEMAND FOR ITS PRODUCTS. CONSIDERING THE PRODUCTION, DISTRIBUTION AND TRANSPORTATION, MORE THAN TEN THOUSAND MEXICAN FAMILIES DEPEND DIRECTLY ON THIS ECONOMIC ACTIVITY.

## WATER DISTRIBUTION PIPE MARKET

I WILL NOW PROCEED TO EXAMINE THE SITUATION OF THE ASBESTOS-CEMENT PRODUCTS IN RELATION TO ITS COMPETITION WITHIN THE CONTEXT OF THE DEVELOPMENT OF THE ASBESTOS-CEMENT PIPE MARKET. UNTIL THE YEAR 1947 STEEL PIPES WERE USED PROFUSELY IN MEXICO, AT THAT TIME, COMPETITION STARTED WITH ASBESTOS-CEMENT PIPES, WHICH FROM THEN ON WERE ACCEPTED AS THE IDEAL CONVEYOR OF POTABLE WATER FROM THE POINT OF VIEW OF ECONOMY, SECURITY AND YIELD. ALL INSTALLATIONS FOR WATER LINES ARE MADE WITH ASBESTOS-CEMENT PIPES, PRODUCED IN CLASSES 5, 7, 10 AND UP TO 14 KILOS PER SQUARE CENTIMETER AND RANGING IN DIAMETERS FROM 2" TO 36". TODAY, STEEL PIPES ARE USED EXCLUSIVELY EITHER IN MOUNTAINOUS OR VERY ROUGH TERRAIN OR WHEN PRESSURES HIGHER THAN 14 KILOS ARE REQUIRED.



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THE FIRST PVC ENTERPRISE WAS FOUNDED IN 1955. THIS PRODUCT HAD A SPECTACULAR DEMAND AT THE BEGINNING, BUT DURING THE LAST FIVE YEARS IT SEEMS TO HAVE SETTLED TO A MORE EVEN TEMPO. THE LOWER DIAMETERS OF UP TO 6" REMAIN THE ONES THAT HAVE THE HIGHER SHARE OF THE MARKET.

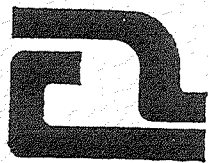
### ROOFING SHEETS MARKET

THE GALVANIZED ROOFING SHEETS INDUSTRY BEGAN PRODUCTION DURING THE YEAR 1934 IN THE NORTH OF THE REPUBLIC, THEIR MAIN MARKET, WHERE 40% OF THEIR TOTAL SALES ARE MADE. ASBESTOS-CEMENT, HISTORICALLY HAS HAD SUPREMACY OVER OTHER PRODUCTS SUCH AS THE GALVANIZED. THIS PRODUCT IS USED IN A GREATER PERCENTAGE FOR LOW INCOME HOMES AND OUR INDUSTRY HAS CREATED A PROGRAM IN ORDER TO EDUCATE THE USERS ON HOW TO PROPERLY INSTALL THE PRODUCTS.

### WATER DEPOSIT TANKS MARKET

LET US LOOK NOW THE WATER DEPOSIT TANKS MARKET. ASBESTOS CEMENT USED TO HAVE MORE COMPETITION FROM THE GALVANIZED TANK. THIS HAS BEEN REDUCED LARGELY, YET A NEW TEN YEAR OLD COMPETITION BEGAN WITH THE PLASTIC TANKS.

DURING THE LAST YEAR THE SHARE OF THE MARKET PRESENTS A DEFINITE PREPONDERANCE OF ASBESTOS-CEMENT WATER TANKS.



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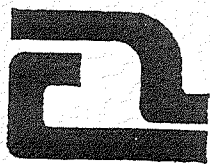
## FUTURE REQUIREMENTS FOR MEXICO

IN ORDER TO EXAMINE MEXICO'S FUTURE NEEDS, IT IS IMPORTANT TO KNOW THAT ACCORDING TO OUR NATIONAL URBAN DEVELOPEMENT PLAN, THE POPULATION OF OUR COUNTRY CONSISTS OF 79 MILLION PEOPLE AND EVEN IF THIS YEAR WE OBTAINED THE UNITED NATIONS POPULATION AWARD FOR REDUCING POPULATION GROWTH FROM 3.6% IN 1974 TO 2.1% IN 1985, STILL BY THE YEAR 2000 OUR POPULATION WILL GROW FROM 100 TO 130 MILLION PEOPLE, DEPENDING TO THE SUCCESS THAT GOVERNMENT FAMILY PLANNING POLICIES MIGHT HAVE.

CONSIDERING THE NATIONAL HOUSING PROGRAMS BY THE YEAR 2000 WE WILL REQUIRE MORE THAN 10 MILLION HOUSES NOT CONSIDERING THE SELF CONSTRUCTION.

ON THE OTHER HAND, OUR COUNTRY HAS A DOUBLE PHYSIOGNOMY: CONCENTRATION AND DISPERSION. ONE THIRD OF THE POPULATION INHABITS THREE MAJOR METROPOLIS: MEXICO CITY, GUADALAJARA AND MONTERREY. ANOTHER THIRD RESIDES IN 36 URBAN CENTERS AND THE REST ARE DISTRIBUTED IN 93,000 RURAL VILLAGES OF LESS THAN 2,500 INHABITANTS. THIS MEANS, ACCORDING TO OUR NATIONAL HYDRAULIC PLAN, THAT, IF CONSERVATIVELY SPEAKING, WE PROVIDE THE SAME 55% OF THE DRINKING WATER SERVICE THAT WE HAVE TODAY, BY THE YEAR 2000 OUR GOVERNMENT WOULD NEED TO BUILD ANOTHER INFRASTRUCTURE, SIMILAR TO THE ONE WE HAVE NOW. CONSEQUENTLY, IF WE ARE ABLE TO REACH THE MORE DESIRABLE GOAL OF DISTRIBUTING 80% OF THE POTABLE WATER NEEDS, THEN WE WOULD BE REQUIRED TO DUPLICATE THE PRESENT INFRASTRUCTURE.

IN REFERENCE TO OUR COUNTRY'S FUTURE NEEDS IT IS OF REMARKABLE SIGNIFICANCE TO REALIZE THAT THE VOLUME PRODUCED BY OUR INDUSTRY UP TO LAST YEAR HAS BEEN AS FOLLOWS:



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° 450 THOUSAND TONS DEDICATED TO WATER TANKS, WHICH ARE REQUIRED DUE TO THE LACK OF CONSTANT WATER PRESSURE. THIS TRANSLATES INTO SIX MILLION INDIVIDUAL WATER TANKS TO SERVICE 30 MILLION PEOPLE.

° TWO MILLION TONS OF ASBESTOS-CEMENT PIPE WHICH REPRESENT 94 THOUSAND KILOMETERS, WHICH ARE ENOUGH TO GO AROUND THE EQUATOR TWO AND A HALF TIMES.

° 3,600,000 TONS OF ASBESTOS-CEMENT SHEETS HAVE BEEN PRODUCED WHICH ARE EQUIVALENT TO 360 MILLIONS SQUARE METERS, WHICH MEANS THAT TODAY MORE THAN 15 MILLION MEXICANS EITHER LIVE OR WORK UNDER AN ASBESTOS-CEMENT ROOF.

AS YOU MAY GATHER, IT IS QUITE OBVIOUS THAT THERE IS A GREAT NEED FOR ASBESTOS-CEMENT IN OUR COUNTRY AND THEREFORE ASBESTOS-CEMENT PRODUCTS HAVE BEEN CONSIDERED BY OUR GOVERNMENT AS BASIC FOR THE MEXICAN SOCIETY AND ITS' ECONOMY. THE BANNING OF ASBESTOS BY EPA WOULD POSE SERIOUS ECONOMIC IMPLICATIONS SPECIALLY WHEN IT HAS NOT BEEN PROVEN THAT OTHER RESPIRABLE SUBSTITUTE FIBERS ARE FREE OF RISK TO HUMAN HEALTH; THIS BESIDES THE FACT THAT THEIR PRODUCTION OR USE HAS NOT YET BEEN REGULATED.

WE MOST NOT OVERLOOK THE FACT THAT ASBESTOS<sup>B</sup> HAS EXCEPTIONAL QUALITIES AND WE SHOULD BE CONCERNED WITH THE BEHAVIOR OF SUBSTITUTES THAT MIGHT ENTAIL UNKNOWN RISKS TO HUMAN HEALTH.

IT IS OBVIOUS THAT EPA, BY BRINGING UP THE ISSUE AGAIN AND PROPOSING TO BAN ASBESTOS, IS SHOWING NO DESIRE TO TAKE INTO CONSIDERATION BOTH THE AMERICAN AND INTERNATIONAL RESPONSE OF TWO YEARS AGO. NO ONE CAN BE TRIED TWICE FOR THE SAME CRIME AND IN ALL FAIRNESS, THE SAME SHOULD APPLY TO PRODUCTS OR MATERIALS, FOR AS YOU KNOW, WITH THE

*los productos de asbesto cemento construyen a México*



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PUBLICITY EXERCISED DURING THE TRIALS, WHO WILL EVER  
GIVE THE "ACCUSED" A CHANCE?

A BAN ON ASBESTOS-CEMENT PIPES COULD CAUSE PANIC  
AMONG MILLIONS OF CITIZENS WHO USE WATER FROM ASBESTOS-  
CEMENT PIPES, AND THIS COULD RESULT IN PRESSURE FOR  
TOTAL REMOVAL, WHEN SUCH ACTION IS IN NO WAY SCIENTIFICALLY  
JUSTIFIED.

IN SUM, OUR INDUSTRY IS SERIOUSLY CONCERNED ABOUT THE  
CONSEQUENCES OF EPA'S PROPOSAL. WE THUS URGE THE AGENCY  
TO EXAMINE CLOSELY THE BASES UPON WHICH ITS' PROPOSED BAN  
AND PHASE DOWN RULE REST AND TO REASSESS THE CONCLUSIONS  
IT HAS REACHED. WE TRUST, THIS WILL LEAD EPA TO WITHDRAW  
ITS CURRENT PROPOSAL.

I WOULD LIKE TO EMPHASIZE THAT THE INTERNATIONAL  
COMMUNITY FAVORS THE CONTROLLED USE OF ASBESTOS BASED ON  
40 YEARS OF IMPORTANT STUDIES AND SCIENTIFIC RESEARCH.  
OUR GOVERNMENT HAS ALSO TAKEN THIS POSITION AND WE EXERT  
EPA TO FOLLOW THE SAME POLICY.



**MEXICAN EMBASSY TRADE & FISCAL OFFICE**

1101 15TH STREET, N.W., SUITE 507, WASHINGTON, D.C. 20005  
(202) 293-8350/51/52, TELEX 197694 OCCMEX

June 25, 1986

The Honorable Lee M. Thomas  
Administrator  
U.S. Environmental Protection Agency  
401 "M" Street, S.W.  
Room 1200, West Tower  
Washington, D.C. 20460

RE: Docket No. OPTS 62036 - Asbestos  
Ban and Phase Out

Dear Mr. Thomas:

The Government of Mexico views with alarm the Environmental Protection-Agency's (EPA's) proposal to ban and phase out asbestos in currently manufactured products (including asbestos-cement pipe). We are concerned that EPA proposed actions will have an adverse impact in our exports, since in Mexico the continuing applications are cost effective and well controlled to assure worker and general population safety.

The Labor Department of Mexico (Secretaría de Trabajo y Previsión Social) has been for some time examining the need for close control of the use of asbestos and has kept close contact with international organizations such as the International Labor Organization (ILO) and the World Health Organization (WHO). Considering the scientific and medical evidence available, we have recently reduced our national standard to 2F/CC, in order to assure safe use of asbestos. It is our policy to control asbestos exposure and keep on encouraging responsible industry to produce pipes and other products in order to satisfy the growing basic needs of our country as the distribution of potable water and roofs for low income housing and water deposit tanks, required due to the lack of constant water pressure in our country.

While we are aware that fiber-free products (such as fiber spraying) should be prohibited, we feel that the banning of products that contain fiber locked-in or encapsulated would have significant adverse impact in our society. We are also concerned that substitute products will prove to be no safer than the current manufactured, comprehensively controlled asbestos-containing products.

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**MEXICAN EMBASSY    TRADE & FISCAL OFFICE**

1101 15TH STREET, N.W., SUITE 507, WASHINGTON, D.C. 20005  
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In sum, the Government of Mexico is seriously concerned about the consequences of EPA's proposal for its own citizens. We thus urge the Agency to examine closely the basis upon which its proposed ban and phase out rest and to reassess the conclusions it has reached. We trust this will lead EPA to withdraw its current proposal.

Respectfully submitted,

*for Mario*  
Mario Rodríguez Montero  
Minister for Trade & Fiscal Affairs

*MRM*  
MRM: MAL:mp