## Republic of the Philippines HOUSE OF REPRESENTATIVES Quezon City

19<sup>th</sup> Congress First Regular Session

House Bill No. 7365

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Introduced by Representative DANTE S. GARCIA

### **EXPLANATORY NOTE**

Though R.A. No. 11898, otherwise known as Extended Producer's Responsibility Act of 2022 (EPRA), was legislated in order thwart plastic wastes from being leaked to the environment by requiring the producers of plastic products to recover their wastes, many environmentalists practicing here and abroad believe that the law is not adequate. The recovery component of EPRA covers only the downstream approach. It is believed that the upstream solution must be thoroughly introduced and implemented in order to address significantly the problem on plastic wastes.

The proposed bill seeks to offer the upstream approach to efficiently prevent plastic wastes from finding their ways to our canals, esteros, lakes, oceans and other water bodies, by directing (a) the phase out of highly unnecessary plastic products, and (b) the use of compostable plastics, and (c) engagement of commercial establishments in providing their customers non-free plastic carry-out bags or take-out packaging.

This is the opportune time to salvage the Philippines from its bad reputation of being one of the largest contributors to plastic wastes worldwide. Just recently, on February 23, 2023, the Visual Capitalist published online an alarming article stating that the Philippines is the Highest Ocean Plastic Waste Polluter. It reported the following data, to wit:

Rank	Country	Annual Ocean Plastic Waste (Metric tons)
#1	Philippines	356,371
#2	India	126,513
#3	Malaysia	73,098
#4	China	70,707
#5	Indonesia	56,333
#6	Myanmar	40,000

Rank	Country	Annual Ocean Plastic Ways (
#7	Brazil	Annual Ocean Plastic Waste (Metric tons) 37,799
#8	Vietnam	28,221
#9	Bangladesh	24,640
#10	Thailand	22,806
	Rest of the World	176,012
	Total	1,012,500

Precisely on this point, in combination of downstream approach or the recovery schemes being espoused by R.A. No. 11898, this proposed legislative measure offers an upstream approach to extensively provide a solution to the problem.

In view of the foregoing, the passage of this bill is earnestly sought.

DANTES. GARCIA Representative 2<sup>nd</sup> District of La Union

## Republic of the Philippines HOUSE OF REPRESENTATIVES Quezon City, Philippines

NINETEENTH CONGRESS First Regular Session

HOUSE BILL NO. 7365

## Introduced by Representative DANTE S. GARCIA

#### **AN ACT**

# **REGULATING THE PRODUCTION, IMPORTATION, SALE, DISTRIBUTION, PROVISION, USE, RECOVERY, COLLECTION, RECYCLING, AND DISPOSAL OF SINGLE-USE PLASTIC PRODUCTS**

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Short Title. – This Act shall be known as the "Single-Use Plastic Products
 Regulation Act".

- 3 **SEC. 2**. Definition of Terms.– As used in this Act:
- a) Commercial establishment refers to an establishment or cluster of establishments
   engaged in commerce or sales of goods or services including market stores, shopping
   mall outlets, supermarkets, department stores, online stores, grocery stores, drug
   stores, convenience stores, food chains, restaurants, cafes, bars, sari-sari stores,
   ambulant vendors, with or without stalls, and the like;
- b) *Compostable plastic product* refers to a plastic product that is suitable for home composting that undergoes degradation by biological processes during composting to yield carbon dioxide, water, inorganic compounds, and biomass, at a rate consistent with other known compostable materials, and leaves no visible, distinguishable, or environmentally-harmful residue;
- c) *High in replaceability* refers to a condition wherein a plastic product is deemed non acceptable, unnecessary, or can be replaced by a more efficient and eco-friendly
   alternative;
- 17d)Importer refers to any entity that imports or distributes single-use plastic products, or18goods utilizing single-use plastic products, to any commercial establishment in the19Philippines;

1	e)	Low in recyclability refers to a condition wherein the value for recovery and
2		reprocessing of a plastic product is low, or non-existent due to its design
3		composition, content, and density, among other things;
4	f)	Low in retrievability refers to a situation wherein after use of the plastic products, a
5		significant volume cannot be recovered, properly recycled, processed or disposed of,
6		on account of inefficient recovery schemes, or low value for recovery, recycling or
7		reprocessing;
8	g)	Plastic footprint refers to the total amount of plastic or composite materials used in
9		the production, distribution, promotion, and sale of single-use plastic products or
10		services;
11	h)	Plastic products refer to bags, containers, food service necessities, packaging, and
12		promotional materials, or any other non-healthcare products using synthetic polymeras
13		as a major component, or as one of the layers thereof, designed to be utilized to correct
14		of protect goods for transportation, distribution, and sale, or to promote these products
15		or services;
16	i)	Producer refers to any entity that manufactures or distributes single-use plastic
17		products of goods utilizing single-use plastic products to any commercial
18		establishment in the Philippines; and,
19	j)	Single-use plastic products refer to plastic products designed to be disposed,
20		destroyed, or recycled, after only one use.
21	SE	<b>C. 3</b> . <i>Phase Out Of Single-Use Plastic Products.</i> – The following non-compostable
22	single-us	e prastic products shall be phased out within a period of four (4) years from the effectivity
23	of this Ac	ct:
24	a)	Plates and saucers;
25	b)	Cups, bowls, and lids;
26	c)	Cutlery like spoons, forks, knives, chopsticks;
27	d)	Food and beverage containers made of expanded polystyrene:
28	e)	Oxo-degradable plastics;
29	f)	Film wrap, packaging, or bags of less than 50 microns in thickness; and
30	g)	Sachets and pouches that are multilayered with other materials.
31	The	following products shall be phased out within a period of one (1) year from the
32	effectivity	of this Act:
33	a)	Drinking straws;
34	b)	Stirrers;
35	c)	Sticks for candy, balloon, and cotton bud;
36	d)	Buntings;
37	e)	Confetti; and

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f) Packaging or bags of less than 10 microns in thickness.

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- Thereafter, the production, importation, sale, distribution, provision or use of the said plastic
   products shall be prohibited.
- Properly labelled flexible disposable plastic drinking straws for persons with special medical
   conditions shall be allowed, when no suitable reusable or compostable alternatives are available.

6 SEC. 4. Phase-out of Other Single-Use Plastic Products. - Two (2) years after the effectivity of this Act, and every two (2) years thereafter, the Department of Environment and 7 Natural Resources (DENR), in coordination with the Department of Trade and Industry (DTI), 8 the Department of Science and Technology (DOST), and the National Solid Waste Management 9 Commission (NSWMC), shall regularly determine whether plastic bottles, flexible or rigid 10 plastic packaging products, whether single layer or multi-layered with plastic or other materials, 11 election or advertising paraphernalia, streamers, and other non-compostable single-use plastic 12 products not listed under Section 3 of this Act, are deemed either high in replaceability, low in 13 recyclability, or low in retrievability. Upon determination by the DENR, these products shall be 14 phased out within a period of two (2) years. 15

Products are low in recyclability or retrievability when these are not properly recovered or offset, in compliance with the provisions or standards established pursuant to Sec. 7 of this Act.

- **SEC. 5**. *Phase-out Plan for Single-Use Plastic Products.* A Phase Out Plan, hereinafter referred to as the Plan, shall be formulated by the DENR, in coordination with the NSWMC, and in consultation with relevant departments or agencies of the government and stakeholders, within six (6) months upon the effectivity of this Act. The Plan shall include the following components:
- Consumption, Reduction, and Recovery Program. The DTI, in cooperation with the 22 a) 23 DENR, the DOST, and the Food and Drug Administration (FDA) of the Department of Health (DOH), and in consultation with stakeholders, 24 shall formulate a Consumption, Reduction, and Recovery Program, to achieve a significant reduction 25 in consumption and increased recovery for recycling and treatment, or proper disposal 26 of single-use plastic products, within the phase out period prescribed by this Act. Such 27 28 measures shall include national consumption reduction, waste recovery targets, and other measures ensuring that reusable and compostable alternatives to single-use 29 plastic products are made available, and that the said products are not free of charge 30 at the point-of-sale to the final consumer; 31
- b) Producer Responsibility Schemes. Producer responsibility schemes shall be formulated to carry out the objectives of Section 7 of this Act, and as part of interim measures, to cushion the impact of single-use plastic products on the environment within the phase-out periods;
- c) Reusable and Compostable Alternatives to Single-Use Plastic Products. –
   Appropriate strategies to implement the requirements provided under Sections 6
   and 14 of this Act shall be formulated to assist local manufacturers in developing

	1 2 3	or acquiring the appropriate technology and sustainable materials for the production of reusable or compostable alternatives to single-use plastic products, which shall also be highly recoverable and highly recyclable;	
	4 d) 5 6 7 8 9 9	Awareness-Raising Measures. – As part of the Information and Education Campaign (IEC) under Section 11 of this Act, the DENR shall, together with the Department of Education (DepEd) and Department of Interior and Local Government (DILG), formulate an information dissemination plan to inform consumers of (i) the impact of use and improper disposal of single-use plastic products on the environment; (ii) waste reduction, reuse, recycling and recovery systems; and (iii) other best practices in waste management; and	
11 12 13 14 15 16		Fiscal and Non-Fiscal Rewards and Incentives. – The Department of Finance (DOF), the DILG, and the DTI, shall establish mechanisms that will provide fiscal or non-fiscal rewards and incentives allowed under existing laws, to encourage manufacturers, importers, sellers, and end-users to participate in the programs geared towards achieving the objectives of the Plan.	
17 18 19 20	provide compostable plastic products to their consumers. The plastic product shall have a visible logo identifying that it is compostable. The manufacturing data and the stability of the plastic product shall have a visible because of the plastic product shall have a visible		
21 22 23 24 25 26	promulgate t within six (6	OTI, in coordination with the DENR, DOST, leagues of local government units WMC, and other government and private agencies and organizations concerned, shall the appropriate Philippine National Standard (PNS) for compostable plastic products, b) months from the effectivity of this Act. Recoverability, recycling, or reprocessing se products into other useful materials or commodities shall likewise be explored by	
27 28 29 30 31 32 33	whether com responsibility environment. enterprises" u	7. Responsibility of Producers and Importers. – Within two (2) years following the f this Act, producers and importers of single-use plastic products, regardless of postable or recyclable, shall establish and start phasing in the extended producers' r programs, aimed at effectively preventing plastic wastes from leaking to the To achieve the purposes of this section, the producers, not referred to as "obliged inder R.A. No. 11898, otherwise known as the Extended Producers Responsibility shall nevertheless implement the programs that may include the following activities:	
34 35	a) R	ecovery schemes for plastic wastes through redemption, buy-back, offsetting, or any odel or strategies that will efficiently effect high retrievability and recyclability;	
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b) Transportation of recovered plastic wastes to the appropriate composting, recycling, and other diversion or disposal sites in the country;

38 c) Cleanup of plastic wastes leaked to coastal areas, public roads, and other sites; and

 d) Establishment of recycling, composting, thermal treatment, and other wastes diversion or disposal facilities of commercial or industrial scale for plastic products, when investment therein is viable.

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For this purpose, the producer or importer shall recover or offset and divert into value chains and value-adding useful products as may be directed by the DENR. The producer or importer shall submit to the DENR a verifiable notarized documentation of its single-use plastic product footprint. An independent third party auditor shall be engaged by both the DENR and the producer or importer to verify the authenticity of the plastic product footprint report and its recovery or offsetting report.

Expenses relevant to the abovementioned activities, and the recovery and diversion of their plastic product footprint, are considered part of necessary expense, and shall be allowed as deduction from the taxable income of the producers and importers, under Section 34(A) of the National Internal Revenue Code, as amended.

If a producer or importer fails to meet the recovery or off-setting of plastic product footprint target set pursuant to the preceding paragraph, the producer or importer shall be required to pay the equivalent amount of five percent (5%) of the cost of the single-use product set in the market to the producers and importers' responsibility corporation created pursuant to Section 7 hereof, net of whatever amount already spent for recovery for the period. The producers and importers' responsibility corporation may increase the rate or amount three (3) years after the effectivity of this Act.

Producers and importers shall provide appropriate labelling for their packaging and products, providing information on specific plastic types and packaging structure, and other information important in the proper recovery and diversion of their wastes after use. For this purpose, the DTI in coordination with the recycling and waste processing industry is mandated to formulate the guidelines for proper labelling of packaging and plastic products.

Implementing Rules and Regulations (IRR) for this section shall include, but not be limited,
 to multi-sectoral compliance monitoring schemes, accountability mechanism, transparency, and
 data reporting on recovery plan.

SEC. 8. *Responsibility of Commercial Establishments.* – Sixty (60) days after the effectivity of this Act, commercial establishments shall undertake the following activities:

- a) Promote the use of highly reusable, recyclable, and retrievable products in their
   establishments, or make available for sale locally-made products such as bayong, buli,
   and other reusable containers and bags that are made of abaca, water lily, and other
   organic or compostable materials or reusable or recyclable containers that promote
   circular economy;
- b) Charge their customers a minimum fee of PHP 5.00 for every single use plastic bag:
   *Provided*, That the imposition of the minimum fee shall not preclude the LGUs from
   imposing other fees and charges on the use of plastic bags;

c) Charge take-out food or delivery services a minimum fee of Five pesos (P 5.00) for every single-use plastic product provided, regardless of whether it is a disposable or compostable alternative; and

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d) Establish an effective in-store recovery program that will facilitate and encourage
 customer return of their used plastic products to the commercial establishment, and
 implement the recovery scheme established pursuant to Section 7 of this Act.

The fees collected pursuant to paragraphs (b) and (c) shall be reflected in the receipts. The DOF shall prescribe the rules and regulations to be issued to implement this section with respect to the collection, recording, and remittance of fees: *Provided*, That fifty percent (50%) of the said fees shall be remitted to the National Government and deposited to the National Solid Waste Management Fund pursuant to Section 46 of Republic Act No. 9003, while the other fifty percent (50%) shall be remitted to the barangay where the fee was collected, to finance exclusively their solid waste management programs.

SEC. 9. Lead Agency. – The DENR, in coordination with the NSWMC, unless otherwise provided herein, shall be the primary government agency responsible for the implementation and enforcement of this Act.

17 SEC. 10. Monitoring and Market Inspections. – The DENR and the DTI shall, in 18 coordination with the LGUs and local law enforcement agencies, instigate the regular and routine 19 inspection and monitoring of the point-of-sale stores and the facilities of commercial 20 establishments, producers, and importers, to determine compliance with this Act. Inspection and 21 monitoring shall include the following:

- a) Entry or access to the premises of operation and business, including storage rooms
   and stockrooms;
- b) Inspection of off-site storage facilities, distribution centers, and trans-shipment
   points; and
- c) Inspection of the recovery, recycling, treatment, and disposal facilities, to determine
   if residual plastic products are being properly diverted and disposed of.
- SEC. 11. Public Access to Information. The public shall have access to records, reports,
   or information concerning the implementation and mandates of this Act.

The said documents shall be made available for inspection or reproduction during normal business hours: *Provided*, That the DENR, the DTI or concerned LGU may consider confidential a record, report, or information, or particular portions thereof, and shall therefore not be made public when such would divulge trade secrets, production or sales figures, or methods, production, or processes unique to the manufacturer, seller, or distributor, or would otherwise tend to adversely affect the competitive position of such manufacturer. SEC. 12. Information and Education Campaign. – The DENR, in coordination with the LGUs, the DILG, the DTI, the DepEd, the Commission on Higher Education (CHED), Philippine Information Agency (PIA), and other private or nongovernment organizations and concerned agencies, shall conduct a continuing IEC on the proper implementation of this Act, including the necessity to regulate plastic products in the country, in relation to our environment.

The said IEC shall be incorporated in the public IEC under Section 55 of Republic Act No.
9003 otherwise known as the "Ecological Solid Waste Management Act of 2000".

8 SEC. 13. *Linkage Mechanism.* – The DENR and the NSWMC, in coordination with the 9 DTI, may consult, and enter into an agreement with other government agencies, LGUs, or with 10 concerned non-governmental organizations (NGOs) or people's organizations (POs), or private 11 enterprises in the furtherance of the objectives of this Act.

12 SEC. 14. Shift to Alternatives. – The DOST, in cooperation with the Department of 13 Agriculture (DA), the DTI, the DENR, and the NSWMC, shall develop and implement a program 14 that will assist local manufacturers in developing or acquiring sustainable sources of raw 15 materials, appropriate technology for the production of highly reusable, recoverable, recyclable, 16 or compostable materials, as an alternative to plastic products and provide applicable incentives 17 therefor. Consistent with the program, the DTI, through the Bureau of Philippine Standards 18 (BPS), shall take the lead in developing the appropriate standards for alternatives.

SEC. 15. Production and Importation Control. – The DTI shall, in cooperation with the DA, DOST, DENR, and NSWMC, develop a framework plan that will ensure that the single-use plastic products being produced or imported in the country will maximize its purpose, minimize its waste footprint, and increase its recoverability and recyclability. For this purpose, standards shall be established for the dimensions, thickness, labelling, structures, capacity, color-coding, materials and other relevant parameters of a particular single-use plastic product.

SEC. 16. Role of the National Solid Waste Management Commission. – The NSWMC,
 created pursuant to Section 4 of Republic Act No. 9003 shall, in addition to its functions under
 the said law, aid and assist in the implementation and enforcement of this Act.

The NSWMC shall, in partnership with research institutions and academic communities, conduct relevant studies to realize the harmonious implementation of this Act with Republic Act No. 9003. It shall also ensure that the provisions of this Act are made part of the programs being implemented under Republic Act No. 9512, otherwise known as the "National Environmental Awareness and Education Act of 2008".

The DENR shall provide the necessary financial and manpower resources to enable the NSWMC to perform its additional functions under this Act.

SEC. 17. *Role of LGUs.* – The LGUs shall be primarily responsible for the implementation and/or monitoring of compliance with wastes segregation, collection, recovery, transport, recycling, and disposal of plastic products. The LGUs may enjoin the participation of other concerned government agencies, private entities, and industries for this purpose.

The DENR shall, in coordination with the NSWMC and the DOST, provide the LGUs with 1 technical assistance, trainings, and continuing capability-building programs to attain the 2 3 SEC. 18. Fines and Penalties. - Deliberate violations of Sections 3, 4, 6, 7, 8, 14 and 15 of 4 this Act, and the falsification of documents required pursuant to this Act, or misrepresentation of 5 persons producing, importing, or distributing single-use plastic products, and commercial 6 establishments shall be penalized in the following manner: 7 8 a) Large, Medium and Small Enterprises: 9 1. A fine of not less than Two hundred fifty thousand pesos (P 250,000.00) but not 10 11 exceeding Five hundred thousand pesos (P 500,000.00) for the first offense; 2. A fine of not less than Five hundred thousand pesos (P 500,000.00) but not 12 exceeding Seven hundred fifty thousand pesos (P 750,000.00) for the second 13 14 A fine of not less than Seven hundred fifty thousand pesos (P 750,000.00) but not 15 3. exceeding One million pesos (P 1,000,000.00) and automatic revocation of its 16 17 business permit for the third offense. b) Micro Enterprises, and Other Smaller Businesses: 18 19 20 A fine of not less than Fifty thousand pesos (P 50,000.00) but not exceeding One 1. 21 hundred thousand pesos (P 100,000.00) for the first offense; 22 2. A fine of not less than One hundred thousand pesos (P 100,000.00) but not 23 exceeding Three hundred thousand pesos (P 300,000.00) for the second offense; 24 and A fine of not less than Three hundred thousand pesos (P 300,000.00) but not 25 3. 26 exceeding Five hundred thousand pesos (P 500,000.00) and automatic revocation of 27 its business permit for the third offense. 28 The Pollution Adjudication Board of the DENR shall hear and adjudicate cases of violations or offenses in this section, and impose appropriate fines therefor. For purposes of the 29 imposition of appropriate fines hereof, the DTI shall establish the classification of commercial 30 establishments based on their capitalization. 31 Forty percent (40%) of the fines collected under this Act shall be allocated to or retained 32 by the barangay where the fined prohibited acts are committed in order to finance the solid waste 33 management of said unit. 34 35 36

36 **SEC. 19**. *Administrative Action.* – Without prejudice to the right of any person to file an 37 administrative action, the DENR shall, on its own instance or upon verified complaint by any 1

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- person, institute administrative proceedings in the proper forum against any natural or juridical 2
- person who violates any of the provisions of this Act with respect to standards and limitations provided by this Act, or such order, rule, or regulation issued by the DENR pursuant thereto. 3
- SEC. 20. Independence of Action. The filing of an administrative suit against any person 4 or entity does not preclude the right of any other person to file any criminal or civil action. 5
- SEC. 21. Joint Congressional Oversight Committee. The Joint Congressional Oversight 6 Committee created under Section 60 of Republic Act No. 9003, shall likewise monitor the 7 implementation of this Act and review the rules and regulations promulgated by the DENR to 8 implement this Act. The Joint Committee shall be cochaired by the Chairpersons of the House 9 Committee on Ecology and the Senate Committee on Environment. 10
- SEC. 22. Citizen's Suit. Any citizen can file an appropriate civil, criminal, or 11 administrative action in the proper courts or bodies against: any person who violates or fails to 12 comply with the provisions of this Act and its IRR; the department or other implementing 13 agencies with respect to orders, regulations, and issuances inconsistent with this Act; and any 14 public officer who willfully or grossly neglects the performance of an act specifically enjoined 15 as a duty by this Act or its IRR, or abuses the authority vested upon him in the performance of 16 duty, or in any manner improperly performs the duties assigned under this Act or its IRR; 17 Provided, however, That no suit can be filed until after a thirty (30)-day notice has been given to 18 the public officer and the alleged violator concerned and no appropriate action has been taken 19 thereon. With this, free and accessible legal help should be given to individual persons who shall 20 21
- SEC. 23. Implementing Rules and Regulations. The DENR, in coordination with the 22 NSWMC, DTI, DOST, and other relevant government agencies and organizations, shall 23 promulgate the IRR governing this Act, within six (6) months from its effectivity. 24
- SEC. 24. Separability Clause. If, for any reason, any provision of this Act or part thereof 25 is declared unconstitutional or invalid by a court of competent jurisdiction, the other provisions 26 or parts hereof not affected shall remain in full force and effect. 27
- SEC. 25. Repealing Clause. All laws, decrees, orders, issuances, ordinances, rules and 28 regulations or parts thereof inconsistent with the provisions of this Act are hereby repealed or 29 30
- SEC. 26. Effectivity. This Act shall take effect fifteen (15) days after its publication in the 31 Official Gazette or in two (2) newspapers of general circulation. 32

Approved,