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BY REPRESENTATIVES VELASCO, FORTUN, ROMAN, BARBERS, BIAZON, GASATAYA, LEGARDA, VILLAFUERTE, RODRIGUEZ, SUANSING (E.), SUANSING (H.), DEFENSOR (L.), ESPINO, HERRERA-DY, CASTELO, TAMBUNTING, BARBA, TEVES (J.), FARIÑAS (R.C.), FARIÑAS I (R.C.), TUTOR, NIETO, SIAO, NOEL, ABELLANOSA, YAP (E.), DUTERTE, TALLADO, ABANTE, GUICO, SY-ALVARADO, GO (M.), CABOCHAN, PACQUIAO (A.), MATUGAS, SUAREZ (D.), VILLARAZA-SUAREZ, LABADBALAD, SALCEDA, ALMARIO, PADUANO, CO (E.), GERON, REYES, AGABAS, DY (F.), OLIVAREZ, MOMO, MARCOLETA, MANGUDADATU, JIMENEZ, KHO (E.), ABUEG-ZALDIVAR, REVILLA, CHATTO, DALIPE, ALONTE, FLORES, DEL MAR, TAN (A.), VILLANUEVA (E.), RIVERA, NAVA, JAVIER, SARMIENTO, GARCIA (P.J.), PIMENTEL, HERNANDEZ, ALBANO, DEFENSOR (M.), HOFER, ESPINA, MACAPAGAL ARROYO, BRAVO, MALAPITAN, ESTRELLA, LAGON, ABU, ERICE, LARA, OUANO-DIZON, ACOSTA-ALBA, UY (J.), OAMINAL, HARESCO, ZAMORA (R.), CUARESMA, MARQUEZ, ORTEGA, ERMITA-BUHAIN, BENITEZ, GARIN (S.), TAN (A.S.), EBCAS, CANAMA, SAVELLANO, NOGRALES (J.J.), QUIMBO, SINGSON-MEEHAN, DAGOOC, ZARATE, BAGATSING, PADIERNOS, FUENTEBELLA, ONG (J.), VIOLAGO, SALIMBANGON, YU, ONG (R.), SUNTAY, ESCUDERO, DELOSO-MONTALLA, DY (F.M.C.), CHIPECO, VILLA, COLLANTES, KHO (W.), DE VENECIA, PAQUIAO (R.), VILLARICA, MARIANO-HERNANDEZ AND GO (E.C.), PER COMMITTEE REPORT NO. 897

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".

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 alternatives;

(d) *Importer* refers to any entity that imports or distributes single-use plastic products, or goods utilizing single-use plastic products, to any commercial establishment in the Philippines;

(e) *Low in recyclability* refers to a condition wherein the value for recovery and reprocessing of a plastic product is low, or nonexistent, due to its design, composition, content, and density, among other things;

(f) *Low in retrievability* refers to a situation wherein after use of the plastic products, a significant volume cannot be recovered, properly recycled, processed or disposed of, on account of inefficient recovery schemes, or low value for recovery, recycling or reprocessing;

(g) *Plastic footprint* refers to the total amount of plastic or composite materials used in the production, distribution, promotion, and sale of single-use plastic products or services;

(h) *Plastic products* refer to bags, containers, food service necessities, packaging, and promotional materials, or any other non-healthcare products using synthetic polymers as a major component, or as one of the layers thereof, designed to be utilized, to carry or protect goods for transportation, distribution, and sale, or to promote these products or services;

(i) *Producer* refers to any entity that manufactures or distributes single-use plastic products or goods utilizing single-use plastic products, to any commercial establishment in the Philippines; and

(j) *Single-use plastic products* refer to plastic products designed to be disposed, destroyed, or recycled, after only one use.

SEC. 3. *Phase Out of Single-Use Plastic Products.* – The following non-compostable single-use plastic products shall be phased out within a period of four (4) years from the effectivity of this Act:

(a) Plates and saucers;
(b) Cups, bowls, and lids;
(c) Cutlery like spoons, forks, knives, and chopsticks;
(d) Food and beverage containers made of expanded polystyrene;
(e) Oxo-degradable plastics;

(f) Film wrap, packaging, or bags of less than 50 microns in thickness; and
(g) Sachets and pouches that are multilayered with other materials.

The following products shall be phased out within a period of one (1) year from the effectivity of this Act:

(a) Drinking straws;
(b) Stirrers;
(c) Sticks for candy, balloon, and cotton bud;
(d) Buntings;
(e) Confetti; and
(f) Packaging or bags of less than 10 microns in thickness.

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.

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 Natural Resources (DENR), in coordination with the Department of Trade and Industry (DTI), the Department of Science and Technology (DOST), and the National Solid Waste Management Commission (NSWMC), shall regularly determine whether plastic bottles, packaging, or products that are multilayered with other materials, multilayered tetra packs, election or advertising paraphernalia, streamers, and other non-compostable single-use plastic products not listed under Section 3 of this Act are deemed either high in replaceability, low in recyclability, or low in retrievability. Upon determination by the DENR, these products shall be phased out within a period of two (2) years.

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 Section 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:

(a) Consumption, Reduction, and Recovery Program. – The DTI, in cooperation with the DENR, the DOST, and the Food and Drug Administration (FDA) of the Department of Health (DOH), and in consultation with stakeholders, shall formulate a Consumption, Reduction, and Recovery Program, to achieve a significant reduction in consumption and increased recovery for recycling and treatment, or proper disposal of single-use plastic products, within the phase out period prescribed by this Act. Such measures shall include

national consumption reduction, waste recovery targets, and other measures ensuring that reusable and compostable alternatives to single-use plastic products are made available, and that the said products are not free of charge at the point-of-sale to the final consumer;

(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 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;

(d) 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 the 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

(e) 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.

SEC. 6. *Compostable Plastic*. – Producers, importers, and commercial establishments may provide compostable plastic products to their consumers. The plastic product shall have a visible logo identifying that it is compostable. The manufacturing date and name of manufacturer, importer, and distributor shall be labelled as well.

The DTI, in coordination with the DENR, DOST, leagues of local government units (LGUs), NSWMC, and other government and private agencies and organizations concerned shall promulgate the appropriate Philippine National Standard (PNS) for compostable plastic products within six (6) months from the effectivity of this Act. Recoverability, recycling, or reprocessing value of these products into other useful materials or commodities shall likewise be explored by the DTI.

SEC. 7. *Responsibility of Producers and Importers*. – Within two (2) years following the effectivity of this Act, producers and importers of single-use plastic products, regardless of whether compostable or recyclable, shall establish and start phasing in the extended

producers' responsibility programs, aimed at effectively preventing plastic wastes from leaking to the environment. To achieve the purposes of this section, the producers and importers shall incorporate themselves in accordance with Republic Act No. 11232, otherwise known as the "Revised Corporation Code of the Philippines," to implement the extended producers' responsibility programs that may include the following activities:

(a) Recovery schemes for plastic wastes through redemption, buy-back, offsetting, or any model or strategies that will efficiently effect high retrievability and recyclability;

(b) Transportation of recovered plastic wastes to the appropriate composting, recycling, and other diversion or disposal sites in the country;

(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.

For this purpose, each producer or importer shall recover or offset and divert into value chains and value-adding useful products, whenever possible, at least fifty percent (50%) of their single-use plastic product footprint, three (3) years after the effectivity of this Act: *Provided,* That the DENR, upon the review and recommendation of the NSWMC, shall gradually increase the percentage until a one hundred percent (100%) recovery or offsetting of their single-use plastic product footprint is achieved five (5) years following the effectivity of this Act. 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, for a period of five (5) years from the effectivity of this Act.

If a producer or importer fails to meet the recovery or offsetting 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 Five pesos (P5.00) 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 (P5.00) for every single-use plastic product provided, regardless of whether it is a disposable or compostable alternative; and

(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.

SEC. 10. *Monitoring and Market Inspections.* – The DENR and the DTI shall, in coordination with the LGUs and local law enforcement agencies, instigate the regular and routine inspection and monitoring of the point-of-sale stores and the facilities of commercial establishments, producers, and importers, to determine compliance with this Act. Inspection and 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), the 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".