AN ACT
INSTITUTIONALIZING THE PRACTICE OF EXTENDED PRODUCERS RESPONSIBILITY ON PLASTIC PACKAGING WASTE, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 9003 OR ‘THE ECOLOGICAL SOLID WASTE MANAGEMENT ACT OF 2000’

EXPLANATORY NOTE

The bill is an updated version of an earlier legislation filed on the matter. It is a product of a substantial consultation and studies made by relevant and concerned organizations to address plastic and solid waste management in the country.

The Philippines is among the 18 mega-biodiverse countries in the world, containing two-thirds of the earth’s biodiversity and between 70% and 80% of the world’s plant and animal species. It ranks fifth in the number of plant species and maintains 5% of the world’s flora. Species endemism is very high, covering at least 25 genera of plants and 49% of terrestrial wildlife, while the country ranks fourth in bird endemism and considered to host the most number of marine species in the world. It is also one of the world’s biodiversity hotspots with at least 700 threatened species, thus making it one of the top global conservation areas.\(^1\)

The environment and the country’s ecology place supreme considerations in the 1987 Philippine Constitution as it declared, “[t]he State shall protect and advance the right of the people to a balanced and healthful ecology in accord with the rhythm and

\(^1\) Convention on Biological Diversity. www.cbd.int.
Subsequently, Philippine laws were passed to ensure that this constitutional precept is fully respected and truly honored: among them Republic Act No. 9003 or the Ecological Solid Waste Management Act of 2000, RA 9275 or the Clean Water Act of 2004 and RA 8749 or the Clean Air Act of 1999.

The Philippine Supreme Court is also a staunch ally of the environment when it issued “writ of kalikasan” and took to action government agencies to clean up the deteriorating Manila Bay. In its landmark decision, the High Court defined the phrase “in accord with the rhyme and rhythm of nature” (of Section 16) as the “judicious disposition, utilization, management, renewal and conservation of the country’s forests, minerals, land, waters, fisheries, wildlife, offshore areas and other natural resources to the end that their exploitation, development and utilization be equitably accessible to the present as well as future generations.”

However, lack of enforcement hinders the realization of the objectives of the fundamental law and several legal issuances. Solid waste management continues to be a problem in the country.

Plastic waste also makes up a significant share of the overall generated waste in the Philippines. In fact, what is utterly shocking is that the Philippines is the third biggest polluter next to China and Indonesia. It produces 2.7 million metric tons of plastic waste each year.\(^3\) Worse, plastic waste is highly likely to aggravate pollution and worsen flooding in communities.

According to the World Wildlife Fund, Filipinos consume a yearly average of 20 kilograms of plastics and about 15 kilos of which becomes waste. Insufficient recycling capacities for high value recyclables (i.e. PET, PP, HDPE) and the high volume of low value plastics (including sachets) are factors that affect the country’s low plastic recycling rate, at only 9%. The report further estimates that the Philippines leaks about 35% of plastic wastes into the environment.\(^4\)

Environment group Global Alliance for Incinerator Alternatives revealed in its report that one of the biggest contributors to the growing plastic problem is the proliferation

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\(^2\) Article II, Section 16, 1987 Philippine Constitution


of single-use plastics such as sachets as they are perceived to be inexpensive but very
difficult to recycle and manage.\textsuperscript{5} Every day, almost 48 million shopping bags are used
throughout the Philippines, to an aggregate 17 billion per year. Separately, around
16.5 billion of smaller and thinner transparent plastic bags, known as “labo” bags, are
used per year.\textsuperscript{6}

The recycling rate of post-consumption plastic packaging among Filipinos is also
relatively low.\textsuperscript{7}

There was also a surge in plastic use during the pandemic.

This legislation institutionalizes the Extended Producers Responsibility (EPR)
mechanism as a practical approach on efficient waste management, waste reduction,
and development of ecologically-friendly packaging products. EPR as a concept
refers to the environmental policy, initiatives and practices in which companies and
corporations are obliged to have the responsibility of proper and effective recovery
treatment, recycling and disposal of their products after they have been sold and used
by consumers aimed at improving the 3Rs of ecological management: reuse, reduce
and recycle.

Among the highlights of the bill are as follows:

- A dedicated corps of personnel in the National Ecology Center headed by a
  Director to implement in practice and spirit of the EPR and assure the
  compliance of this policy measure;
- The inclusion of the private sector and civil society/non government
  organization representatives in the decision-making body;
- To advance awareness on EPR programs by private organizations and business
  entities and promote those that have already been adopted. Similarly, we are
  hopeful that Filipinos will pool their used plastic and packaging materials and
  learn to increase the recycling rate, reuse, or dispose of them at the cost of the
  manufacturers;
- To establish an audit registry that will serve as lamppost for the efficient
  implementation of this legislation;
- A sunset provision or the mandatory review of this policy and the impact it has
  created to the environment five years after its enactment;

\textsuperscript{5} Global Alliance for Incinerator Alternatives “Sachets fuel plastic waste crisis in the Philippines.” 14 July 2020.
\textsuperscript{7} Ibid.
This proposal also helps local governments that pay hefty amounts annually for solid waste disposal, and such funds could be used for more social programs.

As such, approval of this measure is earnestly sought.

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AN ACT
INSTITUTIONALIZING THE PRACTICE OF EXTENDED PRODUCER RESPONSIBILITY ON PLASTIC PACKAGING WASTE, AMENDING FOR THIS PURPOSE REPUBLIC ACT NO. 9003, OTHERWISE KNOWN AS THE “ECOLOGICAL SOLID WASTE MANAGEMENT ACT OF 2000”

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

1 SECTION 1. Short Title. – This Act shall be known as the “Extended Producer Responsibility Act of 2021”.

SEC. 2. Section 2 of Republic Act No. 9003 is hereby amended to read as follows:

“SEC. 2. Declaration of Policies. – It is hereby declared the policy of the State to adopt a systematic, comprehensive and ecological solid waste management program which shall:

   x x x

   (i) Institutionalize public participation in the development and implementation of national and local integrated, comprehensive and ecological waste management programs; [and]
(j) Strengthen the integration of ecological solid waste management and resource conservation and recovery topics into the academic curricula of formal and non-formal education in order to promote environmental awareness and action among the citizenry[.];

AND

(K) INSTITUTIONALIZE THE EXTENDED PRODUCER RESPONSIBILITY (EPR) MECHANISM AS A PRACTICAL APPROACH ON EFFICIENT WASTE MANAGEMENT, WASTE REDUCTION AND DEVELOPMENT OF ENVIRONMENTALLY-FRIENDLY PACKAGING PRODUCTS.”

SEC. 3. Section 3 of Republic Act No. 9003 is hereby amended to read as follows:

“SEC. 3. Definition of Terms. – For the purposes of this Act:

x x x

“(N) EXTENDED PRODUCER RESPONSIBILITY (EPR) SHALL REFER TO THE ENVIRONMENTAL POLICY AND PRACTICE IN WHICH OBLIGED COMPANIES HAVE THE RESPONSIBILITY FOR THE PROPER AND EFFECTIVE RECOVERY, TREATMENT, RECYCLING OR DISPOSAL OF THEIR PRODUCTS AFTER THEY HAVE BEEN SOLD AND USED BY CONSUMER WITH THE OBJECTIVES OF REDUCING PACKAGING WASTE GENERATION AND OF IMPROVING RECYCLABILITY OR REUSABILITY OF PACKAGING WASTES;
"(R) IMPORTER SHALL REFER TO A NATURAL OR JURIDICAL PERSON ENGAGED IN THE IMPORT INTO THE PHILIPPINES OF CONSUMER GOODS USING PLASTIC PACKAGING INTENDED TO BE SOLD, WHETHER IN ITS ORIGINAL PACKAGING OR TO BE REPACKED, TO THE GENERAL PUBLIC.

"(V) OBLIGED COMPANIES SHALL REFER TO COMPANIES THAT ARE REQUIRED TO TAKE PART IN AN EPR PROGRAM, INCLUDING, BUT NOT LIMITED, TO PRODUCERS, MANUFACTURERS AND IMPORTERS, AND THOSE WHO OFFER ANY PRODUCT OR GOOD FOR CONSUMPTION OR USE, WHETHER FOR SALE OR FOR FREE, TO THE GENERAL PUBLIC. OBLIGED COMPANIES SHALL NOT INCLUDE THOSE UNDER THE CATEGORY OF MICRO AND SMALL ENTERPRISES AS DEFINED UNDER REPUBLIC ACT NO. 9501 BUT SHALL INCLUDE SUPPLIERS OF BRANDED AND UNBRANDED PLASTICS AS DEFINED IN THE NEXT PARAGRAPH AND USED IN ONLINE DELIVERIES, FOOD SERVICE AS WELL AS IN MICRO AND SMALL ENTERPRISES. HOWEVER, THE MICRO AND SMALL ENTERPRISES ARE NOT PRECLUDED FROM PRACTICING EPR VOLUNTARILY OR BEING A PART OF THE NETWORK OF OBLIGED
COMPANIES OR PRODUCER RESPONSIBILITY ORGANIZATIONS PRACTICING EPR;

\[\text{x x x}\]

“(Y) PLASTIC SHALL REFER TO A SYNTHETIC MATERIAL MADE FROM A WIDE RANGE OF ORGANIC POLYMERS SUCH AS POLYETHYLENE, THEREPRALATE, POLYPROPYLENE, POLYSTRENE, PVC, NYLON, ETC., THAT CAN BE MOLDED INTO SHAPE WHILE SOFT, AND THEN SET INTO A RIGID OR SLIGHTLY ELASTIC FORM AND UTILIZED IN A WIDE RANGE OF APPLICATIONS;

“(Z) PLASTIC NEUTRALITY SHALL REFER TO THE COLLECTION OR RECOVERY AND MANAGEMENT BY A PRODUCER OR ITS AUTHORIZED PRO OF THE SAME AMOUNT OF PLASTIC WASTES EQUAL TO THE SAME AMOUNT OF PLASTIC PACKAGING IT SELLS TO THE MARKET. FOR PURPOSES OF THIS ACT, THE PLASTIC WASTES COLLECTED BY A PRODUCER SHALL BE OF THE SAME POLYMER-TYPE AND GENERAL FORM (FLEXIBLE/RIGID) AS THOSE USED BY THE PRODUCER BUT MAY BE OF DIFFERENT BRAND;

“(AA) PLASTIC PACKAGING SHALL REFER TO THE PLASTIC PACKAGING MATERIAL NECESSARY TO PROTECT A PRODUCT FROM ENVIRONMENTAL FACTORS AND IS DISCARDED AFTER ITS USE. THE POST-CONSUMER DISCARDS SHALL BE REFERRED
TO AS PLASTIC PACKAGING WASTES. PLASTIC PACKAGING SHALL INCLUDE, BUT NOT BE LIMITED TO, THE FOLLOWING:

(1) SACHETS, LABELS, AND OTHER FLEXIBLE PLASTIC PACKAGING PRODUCTS, IN SINGLE LAYER OR MULTI-LAYER STRUCTURE;

(2) RIGID PLASTIC PACKAGING PRODUCTS, WHICH INCLUDE, BUT NOT NECESSARILY LIMITED TO, CONTAINERS FOR BEVERAGES, FOOD, DETERGENTS AND OTHER CLEANING OR HOUSEHOLD PRODUCTS, COSMETICS AND OTHER PERSONAL HYGIENE PRODUCTS, PHARMACEUTICAL PRODUCTS, INCLUDING THEIR COVERINGS, CAPS, AND/OR LIDS;

(C) PLASTIC BAGS, WHICH REFER TO POLYMER BAGS, SUCH AS SINGLE-USED PLASTIC BAGS, DESIGNED TO BE PROVIDED OR UTILIZED AT THE POINT OF SALE FOR CARRYING AND TRANSPORTING GOODS;

(D) PLASTIC PRODUCTS USED ON ITEMS SOLD BY MANUFACTURERS IN BUSINESS-TO-BUSINESS TRANSACTIONS, OR OTHERWISE NOT INTENDED FOR SALE TO THE GENERAL PUBLIC;

(E) POLYSTYRENE; AND

(F) MULTI-LAYER PLASTIC PACKAGING, WHICH IS ANY MATERIAL USED OR TO BE USED FOR PACKAGING AND
HAVING AT LEAST ONE LAYER OF PLASTIC AS THE MAIN INGREDIENTS IN COMBINATION WITH ONE OF MORE LAYERS OF MATERIALS SUCH AS PAPER, PAPER BOARD, POLYMERIC MATERIALS, METALIZED LAYERS OR ALUMINUM FOIL, EITHER IN THE FORM OF A LAMINATE OR CO-EXTRUDED STRUCTURE;

"(BB) PLASTIC WASTE SHALL REFER TO PLASTIC THAT MUST BE RECOVERED BY THE PRODUCER, WHETHER OR NOT THE SAME ARE ENVIRONMENTALLY ACCEPTABLE OR NON-ENVIRONMENTALLY ACCEPTABLE PRODUCTS AS DEFINED IN RA 9003.

x x x

"(EE) PRODUCER SHALL REFER TO THE FOLLOWING:

(1) BRAND OWNER SHALL REFER TO A PERSON OR A COMPANY WHO SELLS ANY COMMODITY UNDER A BRAND OR LABEL.

FOR IMPORTED PRODUCTS, “BRAND OWNER” SHALL BE DEEMED THE IMPORTER/DISTRIBUTOR OF THE PRODUCTS;

(2) MANUFACTURER SHALL REFER TO ANY PERSON WHO MANUFACTURES, ASSEMBLES OR PROCESSES CONSUMER PRODUCTS
EXCEPT THAT IF THE GOODS ARE MANUFACTURED, ASSEMBLED OR PROCESSED FOR ANOTHER PERSON WHO ATTACHES HIS OWN BRAND NAME TO THE CONSUMER PRODUCTS, THE LATTER SHALL BE DEEMED THE MANUFACTURER. IN CASE OF IMPORTED PRODUCTS, THE MANUFACTURER’S REPRESENTATIVE OR, IN HIS ABSENCE, THE IMPORTER, SHALL BE DEEMED THE MANUFACTURER;

“(FF) PRODUCER RESPONSIBILITY ORGANIZATION (PRO) SHALL REFER TO A LEGAL ENTITY THAT MAY HANDLE THE RESOURCE RECOVERY OF PLASTIC PACKAGING WASTES ON BEHALF OF OBLIGED COMPANIES. THE PRO MAY BE ESTABLISHED VOLUNTARILY BY OBLIGED COMPANIES OR MAY BE A PROFESSIONAL ORGANIZATION THAT IS AUTHORIZED BY OBLIGED COMPANIES, WHICH WILL SUPPORT THE LATTER ON THEIR RECOVERY, TREATMENT, RECYCLING OR DISPOSAL OF THE REQUIRED VOLUME OF PLASTIC PACKAGING WASTES THEY PUT INTO THE MARKET FOLLOWING THE PROVISIONS UNDER SECTION 44-G;”

XXX
SEC. 4. Section 4 of Republic Act No. 9003 is hereby amended to read as follows:

"SEC. 4. National Solid Waste Management Commission. - There is hereby established a National Solid Waste Management Commission, hereinafter referred to as the Commission, under the Office of the President.

x x x

The private sector shall be represented by the following:

(a) [A] THREE (3) representatives from nongovernment organizations (NGOs) whose principal purpose is to promote recycling and the protection of air and water quality, WITH TRACK RECORD IN WASTE REDUCTION MEASURES SELECTED FROM AMONG THEMSELVES;

(b) A representative from the recycling industry AND/OR PROS; [and]

(c) A representative from the OBLIGED COMPANIES AMONG THE manufacturing INDUSTRY, [or] packaging [industry] OR IMPORT SECTORS, SELECTED FROM AMONG THEMSELVES;

x x x"

SEC. 5. Section 7 of Republic Act No. 9003 is hereby amended to read as follows:

"SEC. 7. The National Ecology Center. – There shall be established a National Ecology Center (NEC) under the Commission which shall provide consulting, information, training, and networking service for the
implementation of the provisions of this Act. **AS PART OF ITS OVERSIGHT FUNCTIONS, NSWMC SHALL HAVE DIRECT SUPERVISION TO THE NEC.**

In this regard, it shall perform the following functions:

(a) Facilitate training and education in integrated ecological solid waste management;

(b) Establish and manage a solid waste management information data base, in coordination with the DTI and other concerned agencies;

(1) on solid waste generation and management techniques as well as the management, technical and operational approaches to resource recovery; and

(2) of processors/recyclers, the list of materials being recycled or bought by them and their respective prices;

(c) Promote the development of a recycling market through the establishment of a national recycling network that will enhance the opportunity to recycle;

**(D) MAINTAIN AN EPR REGISTRY CONTAINING THE EPR PROGRAM SUBMITTED BY OBLIGED COMPANIES OR PROS WHICH IS SUBJECT TO THE APPROVAL OF THE NSWMC;**

**(E) MONITOR AND EVALUATE THE COMPLIANCE OF OBLIGED COMPANIES, AS DEFINED IN THIS ACT, AND PROS WITH THEIR RESPECTIVE EPR PROGRAMS REGISTERED WITH THE NSWMC, AND INSTITUTE MEASURES TO DIGITALLY STORE,**
ANALYZE, SET UP NOTIFICATIONS OF ANOMALIES AND UNMET TARGETS AND ENSURE TRANSPARENCY OF THE DATABASE AND ANALYSIS;

(F) WITHIN ONE YEAR AFTER THE EFFECTIVITY OF THE ACT, THE NEC SHALL COME UP WITH ASSESSMENT OF VOLUMES OF OTHER WASTES GENERATED TO BE PRIORITIZED FOR FURTHER INCLUSION IN THE EPR SCHEME.

(G) RECEIVE AUDITS TO BE PRODUCED UNDER SECTION 9 HEREIN AND RESPOND TO COMPLAINTS BY ANY CITIZENS AGAINST OBLIGED COMPANIES OR PROS OR DEMANDS ON THE NEC TO FULFILL MANDATES AND IMPROVING PERFORMANCE.

[(d)](H) Provide or facilitate expert assistance in pilot modeling of solid waste management facilities; and

[(e)](I) Develop, test, and disseminate model waste minimization and reduction auditing procedures for evaluating options.

The National Ecology Center shall be headed by [the] A director, [e] WITH THE LEVEL OF DIRECTOR III, WITH ADEQUATE NUMBER OF PERSONNEL TO BE DETERMINED BY THE BUREAU.

THE DIRECTOR OF THE NEC SHALL REGULARLY REPORT TO THE NSWMC IN ITS MONTHLY MEETINGS. REPORTS OF THE NEC SHALL BE CONSOLIDATED BY THE NSWMC SECRETARIAT FOR SUBMISSION TO THE NSWMC. [It] IN ORDER TO PERFORM ITS MANDATES, THE NEC shall maintain a multi-sectoral, multi-
disciplinary pool of experts including those from the academe, inventors, practicing professionals, business and industry, youth, women and other concerned sectors, who shall be screened according to qualifications set by the Commission.

**SEC. 6.** Chapter III of Republic Act No. 9003 is hereby amended by inserting a new article after Article 7 to read as follows:

"**ARTICLE 8**

EXTENDED PRODUCER RESPONSIBILITY

"SEC. 44-A. **WHO ARE COVERED BY THE EPR.** – OBLIGED COMPANIES AS DEFINED UNDER SEC. 3(V) SHALL BE MANDATED TO EXERCISE EXTENDED PRODUCER RESPONSIBILITY (EPR) OVER THE PLASTIC PACKAGING WASTE USED ON THEIR PRODUCTS THAT ARE SOLD AND DISTRIBUTED WITHIN THE PHILIPPINES, WHETHER IN TRADITIONAL PHYSICAL STORES, DISTRIBUTION OUTLETS OR ONLINE PLATFORM. OBLIGED COMPANIES ARE RESPONSIBLE FOR MAKING FINANCIAL CONTRIBUTIONS TO SUPPORT THE COLLECTION, RECOVERY, TRANSPORTATION, PROCESSING, RECYCLING, AND/OR DISPOSAL OF PLASTIC PACKAGING WASTE.

"SEC. 44-B. **WHAT ARTICLES ARE SUBJECT TO EPR.** – THE ARTICLES COVERED BY THE EPR REFER TO THE PLASTIC PACKAGING MATERIALS OF THE GOODS PRODUCED,
IMPORTED, DISTRIBUTED OR SOLD BY OBLIGED COMPANIES
AS DEFINED UNDER SEC. 3(V). EPR SHALL NOT INCLUDE THE
PRODUCT ITSELF.

“SEC. 44-C. EXTENDED PRODUCER RESPONSIBILITY. –
OBLIGED COMPANIES, AS DEFINED UNDER SECTION 3(V),
SHALL ADOPT MECHANISMS AND STRATEGIES FOR THE
EFFECTIVE AND PROPER RECOVERY AND MANAGEMENT OF
PLASTIC PACKAGING WASTES GENERATED AFTER THE USE OR
CONSUMPTION OF THE PRODUCTS THAT HAVE BEEN
PRODUCED, IMPORTED, DISTRIBUTED, RETAILED OR SOLD,
AS THE CASE MAY BE, THROUGH THE INSTITUTION OF A
COMPREHENSIVE EPR PROGRAM, WHICH NECESSARILY
INCLUDE REUSE AND RECYCLING METHODS THAT WILL
RESULT TO THE REDUCTION OF PLASTIC PACKAGING WASTES.
PRODUCERS, DISTRIBUTORS AND RETAILERS PERFORMING
THEIR RESPECTIVE EPR, AS DETERMINED BY THE
DEPARTMENT, SHALL BE ELIGIBLE TO INCENTIVES:
PROVIDED, THAT THEIR MECHANISMS AND STRATEGIES ARE
SUBMITTED, THRU THE DENR, TO THE NATIONAL SOLID
WASTE MANAGEMENT COMMISSION. EACH OBLIGED
COMPANY INSTITUTING AN EPR PROGRAM, MAY DO IT
EITHER INDIVIDUALLY OR COLLECTIVELY THROUGH A
PRODUCER RESPONSIBILITY ORGANIZATION.
SEC. 44-D. THE PRODUCER RESPONSIBILITY ORGANIZATION (PRO). – OBLIGED COMPANIES MAY VOLUNTARILY ORGANIZE THEMSELVES TO FORM OR OPT TO AUTHORIZE A PRODUCER RESPONSIBILITY ORGANIZATION (PRO) TO COME UP WITH A VIVABLE COLLECTIVE EPR PROGRAM AND HAVE THE SAME IMPLEMENTED.

THE CONSTITUTION OR ORGANIZATIONAL DOCUMENT OF PROS SHALL CONTAIN THE FOLLOWING MINIMUM INFORMATION:

(I) ORGANIZATIONAL STRUCTURE AND LEADERSHIP;

(II) MEMBERSHIP RULES AND QUALIFICATIONS;

(III) DUTIES AND RESPONSIBILITIES WHICH SHALL INCLUDE:

(A) IMPLEMENTATION PARAMETERS OF THE EPR PROGRAM;

(B) FINANCING MECHANISMS;

(C) COOPERATION WITH OTHER STAKEHOLDERS, SUCH AS, BUT NOT NECESSARILY LIMITED TO, DISTRIBUTORS, RETAILERS, GROCERY AND STORE OWNERS, JUNK SHOP OPERATORS, AND INDIVIDUALS IN INFORMAL SECTOR INVOLVED IN WASTE MANAGEMENT;
(D) Member liabilities and penalties; and

(E) Research and development.

(F) Implementation strategies that reduce public spending.

SEC. 44-E. EPR PROGRAMS. — Obliged companies doing their own EPR or a Pro, for and on behalf of a group of obliged companies, should come up with their respective EPR programs, which shall include the following elements, information, and features:

(I) In the case of Pro, it shall include the list of obliged companies that the Pro represents;

(II) Involved packaging, and the specific brands;

(III) Scope of financing and calculation;

(IV) Collection system, collection center mechanism, and specific collection targets, which includes, at the minimum, end-of-life or residual plastics, paying particular attention to coastal communities and islands;

(V) Sorting, recycling, and recovery targets, which may be harmonized with the targets.
MANDATED UNDER THIS ACT AND LINKED AND INTEGRATED WITH THE TARGETS OF THE MRF AND THE LGU SOLID WASTE MANAGEMENT PLAN AND IMPROVING AND STRENGTHENING THEM;

(VI) DEPENDING ON THE RELEVANCE AND APPLICABILITY TO THE BUSINESS OF THE OBLIGED COMPANIES, THE FOLLOWING ARE POSSIBLE EPR PROGRAMS, ACTIVITIES AND STRATEGIES:

(1) PROGRAMS FOR THE REDESIGN OR ADOPTION OF PACKAGING TO IMPROVE RECYCLABILITY OR REUSABILITY OF PLASTIC CONTAINERS AND OTHER PLASTIC PACKAGING MATERIALS OF THEIR PRODUCTS;

(2) PROGRAMS FOR THE WITHDRAWAL OR PHASE OUT OF NON-RECYCLABLE PRODUCTS AND PLASTIC PACKAGING MATERIALS AND TO REPLACE THEM WITH EXISTING ALTERNATIVES THAT ARE ENVIRONMENTALLY SOUND AND ECONOMICALLY VIABLE;
(3) PROGRAMS FOR THE ADOPTION OF ALTERNATIVE DELIVERY SYSTEMS THAT WILL ALLOW CUSTOMERS TO PURCHASE THEIR PRODUCTS WITH THE USE OF REFILLABLE CONTAINERS OR MULTI-USE PACKS;

(4) PROGRAMS INVOLVING THE EFFICIENT RETRIEVAL OF RECYCLABLE OR REUSABLE PLASTIC CONTAINERS AND OTHER PACKAGING MATERIALS OF THEIR PRODUCTS AND THE DESIGNATION OR ESTABLISHMENT OF COLLECTION AND/OR RECYCLING FACILITIES;

(5) PROGRAMS, IN COLLABORATION WITH LGUS, COMMUNITIES AND THE INFORMAL WASTE SECTORS (IWS), SUCH AS WASTE PICKERS, INVOLVING THE PROPER AND EFFECTIVE SOLID WASTE MANAGEMENT, INCLUDING THE PROPER SOURCE SEGREGATION, COLLECTION, RETRIEVAL, BUY BACK, RECYCLE, AND REUSE OF PLASTIC PACKAGING MATERIALS;
(6) Sustainable campaigns to encourage consumers to avoid using single-use plastics and to volunteer in bringing used plastic containers and packaging materials to identified collection and recycling facilities or materials recovery facilities; and

(7) Proper labelling or inclusion of information in the packaging of products regarding proper disposal of the containers and packaging materials and identification of collection and recycling facilities, or materials recovery facilities.

(VII) Extensive and sustainable information, education, and communications strategies and campaigns;

(VIII) Involvement of specific LGUs and/or national LGU organizations, if applicable;

(IX) Cooperation with other stakeholders, such as, but not necessarily limited to, distributors, retailers, resellers, grocery and store owners, junk shop
OPERATORS, AND INDIVIDUALS IN INFORMAL
SECTOR INVOLVED IN WASTE MANAGEMENT; AND

(X) PLANS AND PROGRAMS THAT WOULD ENSURE THE
SUSTAINABILITY, ECONOMIC VIABILITY COUPLE
WITH CONTINUED INCREASE IN WASTE
DIVERSION, RECYCLING AND UPCYCLING.

SEC. 44-F. EPR REGISTRATION. – OBLIGED COMPANIES
DOING THEIR OWN EPR AND PROS, FOR AND ON BEHALF OF
OBLIGED COMPANIES THEY REPRESENT, ARE REQUIRED TO
REGISTER THEIR EPR PROGRAMS WITH THE DEPARTMENT,
THROUGH THE NSWMC. EACH EPR PROGRAM SUBMITTED FOR
REGISTRATION SHALL BE SUBJECT TO THE APPROVAL OF THE
NSWMC, WHICH SHALL ALSO BE REQUIRED TO MAINTAIN THE
EPR REGISTRY.

THE EPR PROGRAMS SUBMITTED BY OBLIGED
COMPANIES OR PROS, AS THE CASE MAY BE, SHALL INCLUDE
THE FOLLOWING INFORMATION, AT THE MINIMUM:

I. OBLIGED COMPANY OR PRO INFORMATION AND
CONTACT INFORMATION OF THE PERSON
RESPONSIBLE FOR EPR;

II. SPECIFIC PACKAGING MATERIALS AND BRANDS
COVERED UNDER THE EPR PROGRAM PER
OBLIGED COMPANY;
III. WHETHER THE EPR PROGRAM IS FOR IMPLEMENTATION BY AN OBLIGED COMPANY INDIVIDUALLY, OR BY OBLIGED COMPANIES COLLECTIVELY, THROUGH A PRO;

IV. ESTIMATED AND VERIFIABLE VOLUME OF THE PLASTIC PACKAGING WASTE ON BRANDS PUT INTO THE MARKET WITHIN A SPECIFIED PERIOD OF TIME;

V. TARGETED VOLUME OF PLASTIC PACKAGING WASTE FOR RECOVERY, FOR RECYCLING AND FOR REUSE;

VI. OTHER EPR PROGRAMS, SUCH AS REDESIGN OF PLASTIC PACKAGING TO IMPROVE RECYCLABILITY OR ALLOW REUSE;

VII. LABELLING ON PACKAGING MATERIALS TO ENCOURAGE RECYCLING, REUSE OR PROPER DISPOSAL OF PACKAGING MATERIALS;

VIII. STATUS OF IMPLEMENTATION OF THE EPR MECHANISMS; AND

IX. STATUS OF COMPLIANCE AND VIOLATIONS, IF ANY.

FOR THE INITIAL COMPLIANCE WITH THE PROVISIONS UNDER THIS SECTION, OBLIGED COMPANIES AND PROS,
ACTING FOR AND ON BEHALF OF OBLIGED COMPANIES, SHALL SUBMIT THEIR RESPECTIVE EPR PROGRAM TO THE DEPARTMENT, THROUGH THE NSWMC, SIX (6) MONTHS UPON THE EFFECTIVITY OF THIS ACT. THE NSWMC, IN TURN, IS GIVEN A PERIOD OF THREE (3) MONTHS FROM SUBMISSION TO COMPLETE THE EVALUATION, APPROVAL AND REGISTRATION OF THE EPR PROGRAM SUBMITTED.

THE DEPARTMENT, THROUGH THE ENVIRONMENTAL MANAGEMENT BUREAU, AND IN COORDINATION WITH THE NSWMC, SHALL BE MANDATED TO MONITOR AND EVALUATE THE COMPLIANCE OF OBLIGED COMPANIES AND PROS WITH THEIR RESPECTIVE EPR PROGRAMS REGISTERED WITH THE NSWMC AND THE TARGETS ON RECOVERY AND RECYCLING INDICATED UNDER THE EPR PROVISIONS OF THIS ACT. FOR THIS PURPOSE, OBLIGED COMPANIES AND PROS SHALL BE REQUIRED TO SUBMIT ANNUAL COMPLIANCE REPORTS.

SEC. 44-G. COMPLIANCE PERIOD ON RECOVERY AND RECYCLING OF PACKAGING MATERIALS BY OBLIGED COMPANIES OR PROS. – TO GIVE THE OBLIGED COMPANIES AND THE PROS SUFFICIENT PERIOD TO ADJUST TO THEIR EPR DUTIES AND RESPONSIBILITIES AND IMPROVE THEIR PERFORMANCE OVER TIME, THE FOLLOWING TARGETS ARE HEREBY SET:
(I) FOR THE LARGE ENTERPRISES:

(A) WITHIN ONE (1) YEAR FROM THE INITIAL APPROVAL OF EPR PROGRAM, EVERY OBLIGED COMPANY, ON ITS OWN OR THROUGH A PRO, SHALL RECOVER AND RECYCLE NO LESS THAN TWENTY PERCENT (20%) OF THE VOLUME OF THE PLASTIC PACKAGING WASTE GENERATED FOR THE PRODUCTS SOLD OR DISTRIBUTED FOR THE IMMEDIATELY PRECEDING YEAR;

(B) ON THE SECOND YEAR, THE TARGET RECOVERY AND RECYCLING SHALL BE NO LESS THAN FORTY PERCENT (40%) OF THE ACTUAL VOLUME OF THE PLASTIC PACKAGING WASTE IT HAS GENERATED FOR THE PRODUCTS SOLD OR DISTRIBUTED FOR THE IMMEDIATELY PRECEDING YEAR;

(C) ON THE THIRD YEAR, THE TARGET RECOVERY AND RECYCLING SHALL BE NO LESS THAN SIXTY PERCENT (60%) OF THE VOLUME OF THE PLASTIC PACKAGING WASTE IT HAS GENERATED FOR THE
PRODUCTS SOLD OR DISTRIBUTED FOR THE IMMEDIATELY PRECEDING YEAR;

(D) ON THE FOURTH YEAR, THE TARGET RECOVERY AND RECYCLING SHALL BE NO LESS THAN SEVENTY PERCENT (70%) OF THE ACTUAL VOLUME OF THE PLASTIC PACKAGING WASTE IT HAS GENERATED FOR THE PRODUCTS SOLD OR DISTRIBUTED FOR THE IMMEDIATELY PRECEDING YEAR; AND

(E) ON THE FIFTH YEAR AND FOR THE SUCCEEDING YEARS THEREAFTER, THE TARGET RECOVERY AND RECYCLING SHALL BE NO LESS THAN EIGHTY PERCENT (80%) OF THE ACTUAL VOLUME OF THE PLASTIC PACKAGING WASTE IT HAS GENERATED FOR THE PRODUCTS SOLD OR DISTRIBUTED FOR THE IMMEDIATELY PRECEDING YEAR.

FOR THE PURPOSE OF THIS SECTION, LARGE ENTERPRISES SHALL REFER TO OBLIGED COMPANIES WHOSE TOTAL ASSETS ARE MORE THAN ONE HUNDRED MILLION PESOS (P 100,000,000.00) AND DO NOT FALL UNDER THE CATEGORIES OF ENTERPRISES COVERED BY REPUBLIC ACT
NO. 9501, OTHERWISE KNOWN AS THE “MAGNA CARTA FOR MICRO, SMALL AND MEDIUM ENTERPRISES (MSMES)”.

(II) FOR THE MEDIUM ENTERPRISES, AS CATEGORIZED UNDER REPUBLIC ACT NO. 9501:

(A) WITHIN TWO (2) YEARS FROM THE INITIAL APPROVAL OF EPR PROGRAM, EVERY OBLIGED COMPANY, ON ITS OWN OR THROUGH A PRO, SHALL RECOVER AND RECYCLE NO LESS THAN TWENTY PERCENT (20%) OF THE VOLUME OF THE PLASTIC PACKAGING WASTE GENERATED FOR THE PRODUCTS SOLD OR DISTRIBUTED FOR THE IMMEDIATELY PRECEDING YEAR;

(B) THEREAFTER, THE TARGET RECOVERY AND RECYCLING SHALL BE INCREASED ANNUALLY TO NO LESS THAN FORTY PERCENT (40%), SIXTY PERCENT (60%), SEVENTY PERCENT (70%), AND EIGHTY PERCENT (80%), RESPECTIVELY.”

: PROVIDED, THAT MAJORITY OF THE VOLUME UNDER THESE TARGETS ARE DIRECTED TOWARDS RECYCLING AND UPCYCLING, AND OBLIGED COMPANIES AND PROS SHALL CONSISTENTLY INCREASE THESE TARGETS TO PREVENT MEASURES THAT
STILL REQUIRE FINAL DISPOSAL, FAILURE TO TRACE OR
COLLECT, OR PRODUCTION OF HARMFUL EMISSIONS.

SEC. 44-H. AUDITS. — OBLIGED COMPANIES ARE
REQUIRED TO PERFORM AUDITS ON THEIR EPR
PROGRAMS AND MAY PREDEFINE THEIR AUDIT CRITERIA
BY THEMSELVES, COLLECTIVELY OR BY THEIR PRO. CIVIL
SOCIETY ORGANIZATIONS CONDUCTING BRAND AUDITS
MAY REGISTER THEIR ACTIVITIES WITH THE NEC FOR
VALIDATION AND THEIR RESULTS SHALL BE CONSIDERED
BY THE LATTER IN THE PERFORMANCE OF ITS MANDATES.
ADDITIONALLY, THE NEC SHALL CONTRACT AN
INDEPENDENT AUDIT OF ALL EPR EVERY TWO (2) YEARS.”

SEC. 7. Section 45 of Republic Act No. 9003 is hereby amended to read as
follows:

“SEC. 45. Incentives. — (a) Rewards AND RECOGNITIONS,
monetary or otherwise, shall be provided to individuals, private
organizations, entities, OBLIGED COMPANIES, AND PRODUCER
RESPONSIBILITY ORGANIZATIONS, including nongovernment
organizations, that have undertaken outstanding and innovative
projects, technologies, processes and techniques or activities in re-use,
recycling and reduction. Said rewards shall be sourced from the Fund
herein created.

(b) x x x
(1) x x x

(a) x x x

(i) x x x

(ii) x x x

(iii) x x x

(b) x x x

(c) x x x

(1) x x x

(6) INCENTIVES OF OBLIGED COMPANIES DOING EPR. –

(6.1) TAX AND DUTY EXEMPTION ON IMPORTED CAPITAL EQUIPMENT UNDER EPR. – WITHIN TEN (10) YEARS UPON EFFECTIVITY OF THIS ACT, OBLIGED COMPANIES AND PROS, ACTING FOR AND ON BEHALF OF OBLIGED COMPANIES, SHALL ENJOY TAX AND DUTY-FREE IMPORTATION OF MACHINERY, EQUIPMENT, VEHICLES AND SPARE PARTS USED FOR COLLECTION,
TRANSPORTATION,
SEGREGATION, RECYCLING, RE-
USE, COMPOSTING OF SOLID
WASTES, AND OTHER
ACTIVITIES CONSIDERED AS
PART OF AN EPR PROGRAM:

PROVIDED, THAT THE
IMPORTATION OF SUCH
MACHINERY, EQUIPMENT,
VEHICLE AND SPARE PARTS
SHALL COMPLY WITH THE
FOLLOWING CONDITIONS:

(I) THEY ARE NOT
MANUFACTURED
DOMESTICALLY IN
SUFFICIENT QUANTITY,
OF COMPARABLE QUALITY
AND AT REASONABLE
PRICES;

(II) THEY ARE REASONABLY
NEEDED AND WILL BE
USED ACTUALLY,
DIRECTLY AND
EXCLUSIVELY FOR THE ABOVEMENTIONED ACTIVITIES;

(III) THE APPROVAL OF THE BOARD OF INVESTMENT (BOI) OF THE DTI WAS OBTAINED FOR THE IMPORTATION OF SUCH MACHINERY, EQUIPMENT, VEHICLE AND SPARE PARTS:

*Provided, further,* that the President of the Philippines may extend such period for another five (5) years: *Provided,* finally, that the sale, transfer or disposition of such machinery, equipment, vehicle and spare parts, without prior approval of the Department of Trade and Industry-Board of
INVESTMENTS (DTI-BOI),

WITHIN FIVE (5) YEARS FROM
THE DATE OF ACQUISITION
SHALL BE PROHIBITED,
OTHERWISE THE OBLIGED
COMPANIES AND PROS, AND
THE VENDEE, TRANSFEREE OR
ASSIGNEE SHALL BE
SOLIDARILY LIABLE TO PAY
TWICE THE AMOUNT OF TAX
AND DUTY EXEMPTION GIVEN
IT.

(6.2) THE EPR EXPENSES OF OBLIGED
COMPANIES SHALL BE
DEDUCTED FROM THEIR
ANNUAL INCOME ON THE
CONDITION THAT THEY HAVE
MET OR EXCEEDED THE
TARGETED VOLUME PURSUANT
TO SEC. 44-F (V) OF THIS ACT.”

SEC. 8. Section 49 of Republic Act No. 9003 is hereby amended to read

as follows:

“SEC. 49. Fines and Penalties. – (a) x x x

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(G) FINES AND PENALTIES CONCERNING EPR. –

(1) THE OBLIGED COMPANY SHALL PAY A FINE EQUIVALENT TO TWO PERCENT (2%) OF THE ANNUAL GROSS TURNOVER OF THE OBLIGED COMPANY FOR FAILURE TO ESTABLISH AN ANNUAL EPR PROGRAM;

(2) FOR FAILURE TO MEET THE REQUIRED TARGET OF RECOVERY AND RECYCLING IN ANY YEAR, THE FINE SHALL BE TWICE THE COST OF RECOVERY FOR THE SHORTFALL AS DETERMINED BY THE DEPARTMENT AND NSWMC.

(3) FOR UNDER-DECLARATION OF THE VOLUME OF PACKAGING MATERIALS COVERED BY THIS ACT SOLD OR DISTRIBUTED FOR EVERY YEAR OR AN OVER-DECLARATION OF THE VOLUME OF PLASTIC PACKAGING WASTE COLLECTED BY AN OBLIGED COMPANY OR BY A PRO, ACTING FOR AND ON BEHALF OF AN OBLIGED COMPANY OR COMPANIES, PAY A FINE CORRESPONDING TO THREE PERCENT (3%) OF THE OBLIGED
COMPANY’S GROSS TURNOVER DURING THE
PERIOD OF NON-COMPLIANCE.

(4) FOR REPEATED FAILURE TO COMPLY, THE
PENALTY UNDER SECTION 49(F) HEREIN
SHALL APPLY.”

SEC. 9. Mandatory Review. – Within five (5) years after the effectivity of this
Act, or as the need arises, Congress shall conduct a review of the accomplishments
and impact of this Act, as well as the performance and organizational structure of its
implementing agencies, for purposes of determining the need for remedial legislation.

SEC. 10. Appropriation. – The sum necessary for the effective implementation
of this Act shall be charged against the appropriations for the Department of
Environment and Natural Resources under the General Appropriations Act: Provided,
That obliged companies and the respective PROs shall be responsible for the funds
necessary to operationalize and maintain the EPR programs, in compliance with this
Act and its implementing rules and regulations.

SEC. 11. Implementing Rules and Regulations. – The Department of
Environment and Natural Resources (DENR), in consultation with relevant government
agencies, representatives from obliged companies, and other stakeholders shall
formulate the rules and regulations necessary to implement the provisions of this Act
within ninety (90) days from its effectivity.

SEC. 12. Separability Clause. – If any portion or provision of this Act is declared
unconstitutional or invalid, the remainder of this Act or any provisions hereof not
affected thereby shall continue to be in force and effect.
SEC. 13. Repealing Clause. – Any law, presidential decree or issuance, executive order, letter of instruction, rule or regulation inconsistent or contrary to the provisions of this Act is hereby repealed or modified accordingly.

SEC. 14. Effectivity. – This Act shall take effect after fifteen (15) days following its complete publication in the Official Gazette or a newspaper of general circulation.
Approved,