FIFTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
First Regular Session)

SENATE
S. No. 2557

Introduced by Senator Miriam Defensor Santiago

EXPLANATORY NOTE

The Constitution, Article 2, Section 16 provides:

> The State shall protect and advance the right of the people to a balanced and healthful ecology in accord with the rhythm and harmony of nature.

Despite a slowdown in the rate of global population growth, the world's population is still growing and is expected to peak at nine billion people in 2050, up from 6.6 billion in 2006. These shifts are placing greater pressure on resources and are contributing directly and indirectly to the rising emissions linked to climate change and the resulting consequences for the environment. Recent studies indicate that climate change is occurring faster than expected. Without resolute action we could face irreversible changes to the climate.[1] If emissions continue to rise at the rate of the past 30 years, atmospheric concentrations will increase to 700 ppm or more, corresponding to global average temperatures of +6°C or more by 2050.[2] Even if we stopped emitting greenhouse gases altogether, the effects of global warming are now unavoidable. For these reasons, societies will need to adapt to the unavoidable consequences of climate change.

Importantly, developing nations face the worst consequences because they are more vulnerable to the physical effects of climate change than developed nations. Weather-related disasters disproportionately affect the agricultural sector in least developed countries where most

1 *Global Risks 2009*, Global Risk Network, World Economic Forum, 2009.
2 *Intergovernmental Panel on Climate Change (IPCC)* 2007 4th report; World Energy Outlook, International Energy Agency 2008.

farmers have only limited access to financial means such as microcredit and insurance solutions.[3] The Philippines is considered a climate change hot spot vulnerable to sea-level rise, cyclones, and storm surges which threaten social and economic stability, particularly in densely populated urban centers such as Metro Manila.[4] This high vulnerability is due to its location, high population density, high ecological sensitivity, and low adaptive capacity. The twin typhoons and accompanying floods that wreaked havoc in the Philippines recently are clear manifestations of the high vulnerability of the country to climate change.[5]

Households exert an important influence on total greenhouse gas emissions. Their consumption behavior is of interest in evaluations of climate policy options and projections of future emission paths.[6] It has been estimated that household consumption of consumer goods accounts for emissions of about one-third of total household emissions. Responding to the climate change challenge therefore necessitates that existing environmental laws (e.g. Ecological Solid Waste Management Act, Clean Air Act, etc), urban planning regulations, and other relevant laws be fully implemented to complement the Climate Change Act of 2009. The United Nations itself recognizes the need to promote innovation, clean energy, energy efficiency, and conservation and to accelerate the deployment of cleaner technologies.[7]

This bill requires the Department of Environment and Natural Resources to develop and implement a program for the voluntary assessment, verification, and standardized labeling of the carbon footprint of consumer products. Consumer choice can play a key role in helping reduce the greenhouse gas emissions on a national scale, but only if consumers have usable and reliable information about the greenhouse gas emissions resulting from their product choices. The Department should identify the best approach to standardizing product labeling to help businesses and to provide accurate information to consumers. The methodological and technical challenges of measuring greenhouse gas emissions are already being addressed by researchers

---

3 *Id.*

4 *Climate Change and Migration in Asia and the Pacific*, University of Adelaide, et al, Asian Development Bank, 2009

5 Francisco, *Going Beyond the Map: What is next in the Climate Change Challenge for the Philippines?*, Economy and Environment Program for Southeast Asia, International Development Research Centre, Singapore, 2009.

6 Girod and de Haan, *More or Better? A Model for Changes in Household Greenhouse Gas Emissions due to Higher Income*, Journal of Industrial Ecology, Volume 14, Issue 1, Yale University, 2010.

7 2005 World Summit Outcome of the United Nations General Assembly.

across the world. Converting these measurement methods into a viable, practical greenhouse gas emission label involves crafting a compromise solution that is accurate and precise, as well as feasible for producers to implement. The development of a voluntary carbon or greenhouse gas emissions labeling program for consumer products can harness the power of the marketplace to create incentives for manufacturers to innovate and compete to reduce the carbon footprint of their products.

MIRIAM DEFENSOR SANTIAGO

aer

FIFTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
First Regular Session)

OFFICE OF THE SECRETARY

10 OCT -5 P3:14

SENATE
S. No. 2557

RECEIVED BY:

Introduced by Senator Miriam Defensor Santiago

AN ACT
REQUIRING THE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES TO DEVELOP AND IMPLEMENT A PROGRAM FOR THE VOLUNTARY ASSESSMENT, VERIFICATION, AND STANDARDIZED LABELING OF THE CARBON FOOTPRINT OF CONSUMER 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 "Carbon Footprint Information Act of 2010."

SECTION 2. *Declaration of Policy.* – It is the policy of the State to afford full protection and the advancement of the right of the people to a healthful ecology in accord with the rhythm and harmony of nature. In this light, the State has adopted the Philippine Agenda 21 framework which espouses sustainable development to fulfill human needs while maintaining the quality of the natural environment for current and future generations.

As a party to the United Nations Framework Convention on Climate Change, the State adopts the ultimate objective of the Convention which is the stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system which should be achieved within a time frame sufficient to allow ecosystems to adapt naturally to climate change, to ensure that food production is not threatened, and to enable economic development to proceed in a sustainable manner.

SECTION 3. *Definition of Terms.* – As used in this Act, the term—

(a) "consumer products" means goods which are primarily for personal, family, household, or agricultural purposes, which shall include but are not limited to food, drugs, cosmetics, and devices;

(b) "carbon footprint" means the total amount of emissions of greenhouse gas, which occurs as a result of a product's life cycle, or as determined by the Department to best implement this Act;

(c) "greenhouse gases" refers to those gases that can potentially or can reasonably be expected to induce global warming, which include carbon dioxide, oxides of nitrogen, chloroflourocarbons, and the like; and

(d) "Department" means the Department of Environment and Natural Resources.

SECTION 4. *Carbon Footprint Information Program.* – (a) The Department shall develop and implement a program for the voluntary assessment, verification, and labeling of the carbon footprint of consumer products. In order to create this program, the Department shall establish standard methodologies for assessing, verifying, and labeling the carbon footprint of a consumer product. The Department shall only include a product category in a standard if it determines that it is feasible and practical to do so. It may choose to adopt a methodology for a single product category before expanding the scope of the adopted standard to other product categories.

(b) The program shall do both of the following:

(1) Allow a consumer product manufacturer, on a voluntary basis, to determine the carbon footprint of the product by applying the criteria and standards developed by the Department, and to include that information on the product, product packaging, and product advertising, consistent with the labeling standards developed by the Department;

(2) Develop a standardized, easily understandable label that communicates to consumers relevant information about the carbon footprint of a consumer product. The label may be issued to a company that meets all of the

obligations of the adopted standard for measuring a product's carbon footprint.

(c) The Department may use data from outside sources to develop the standards required to be created by this Act, including the use of existing models and labels. The Department may consult with representatives of consumer product manufacturers, consumer groups, and environmental groups, and conduct public hearings and workshops, to inform the development of the standards required to be established pursuant to this Act;

(d) The Department may develop a hybrid life cycle analysis methodology standard by relying on company measurements of energy use, other greenhouse gas emission sources, and national averages, or other available information for determining the carbon footprint.

(e) The Department shall determine the appropriate boundaries in determining and assessing the carbon footprint of a consumer product, which may include raw material extraction, production processing or manufacturing, transportation, distribution, consumer use, and disposal. The Department may vary these boundaries by product category.

(f) If the Department determines that feasible measurement methodologies are not sufficiently accurate to allow for direct comparisons of the carbon footprint of two like products within a product category, it may elect to develop standards for communicating all of the following:

(1) The average greenhouse gas emissions in a product category in order to allow consumers to compare across categories;

(2) Whether a product has a lower carbon footprint than the average comparable product available in that category;

(3) A specific carbon footprint score that delineates the range of error produced by the methodology.

SEC. 5. *Third-Party Verification.* – The Department may adopt standardized criteria for third-party verification of the carbon footprint of a consumer product, if it determines that this kind of verification is necessary, or the Department may develop an alternative means of ensuring compliance with the labeling standards created pursuant to this Act.

SECTION 6. *Costs of Review and Validation.* – Consumer product manufacturers that label their products in accordance with this chapter shall be responsible for all costs related to the review and validation of carbon label information required by the department. The Department may charge an application fee to participating consumer product manufacturers to pay the costs of the program established pursuant to this Act.

SECTION 7. *Separability Clause.* – If any provision, or part hereof, is held invalid or unconstitutional, the remainder of the Act or the provision not otherwise affected shall remain valid and subsisting.

SECTION 8. *Repealing Clause.* – Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule or regulation contrary to, or inconsistent with the provisions of this Act is hereby repealed, modified or amended accordingly.

SECTION 9. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation.

Approved,

/ags