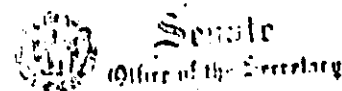


SIXTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
Third Regular Session)



16 JAN 13 P3:36

SENATE
S. No. 3084

RECEIVED BY: *[Signature]*

Introduced by Senator Miriam Defensor Santiago

**AN ACT
ESTABLISHING A GRANT AND FEE PROGRAM TO ENCOURAGE AND
PROMOTE THE RECYCLING OF USED COMPUTERS AND TO PROMOTE THE
DEVELOPMENT OF A NATIONAL INFRASTRUCTURE FOR THE RECYCLING
OF USED COMPUTERS**

EXPLANATORY NOTE

The Constitution, Article 11, states:

Section 15. The State shall protect and promote the right to health of the people and instill health consciousness among them.

Section 16. 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.

This bill seeks to implement this policy by minimizing the amount of garbage from used and discarded computers. At the same time, this bill addresses the Constitution, Article 2, Section 15:

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.

Like many other developing countries, the Philippines still pales in comparison to other nations in terms of personal computer (PC) penetration index. This measures the ratio of the number of PCs installed relative to the country's population. Data culled from the International Data Corporation showed that the number of PCs installed in the Philippines last year reached only 1.37 million, which is barely two percent, of the total Philippines' population. However, although we have only a few computers in proportion

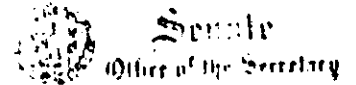
to our population, 1.37 million computers, when thrown as garbage, would still pose a big environmental and health problem.

Since these computers may eventually be discarded by their owners and replaced with faster and more advanced machines, this bill seeks to establish a grant and fee program to encourage and promote the recycling of used computers and to promote the development of a national infrastructure for the recycling of used computers.¹

Miriam Defensor Santiago
MIRIAM DEFENSOR SANTIAGO
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¹ This bill was originally filed in the Thirteenth Congress, First Regular Session and refiled in the Fourteenth Congress, First Regular Session.

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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 “National Computer
2 Recycling Act.”

3 SECTION 2. *Declaration of Policy.* – It is hereby declared the policy of the State
4 to protect and advance the right of the people to a balanced and healthful ecology in
5 accord with the rhythm and harmony of nature. The state shall also protect and promote
6 the right to health of the people and instill health consciousness among them. To this end,
7 the State shall endeavor to establish a computer recycling program that would minimize
8 the dumping of non-biodegradable and/or hazardous waste from computer parts.

9 SECTION 3. *Definition of Terms.* – For the purposes of this Act, the term:

10 (A) “Cathode Ray Tube” means a vacuum tube or picture tube used to convert an
11 electronic signal into a visual image;

12 (B) “Central Processing Unit” includes a case and all of its contents, such as the
13 primary printed circuit board and its components, additional printed circuit boards, one or
14 more disc drives, a transformer, interior wire, and a power cord;

1 (C) "Computer" means an electronic, magnetic, optical, electrochemical, or other
2 high speed data processing device performing logical, arithmetic, or storage functions,
3 and may include both a central processing unit and a monitor, but such term does not
4 include an automated typewriter or typesetter, a portable hand held calculator, or other
5 similar device;

6 (D) "Hazardous waste" means substances that are without any safe commercial,
7 industrial, agricultural or economic usage and are shipped, transported or brought from
8 the country of origin for dumping or disposal into or in transit through any part of the
9 territory of the Philippines. It shall also refer to by-products, side-products, process
10 residues, spent reaction media, contaminated plant or equipment or other substances from
11 manufacturing operations, and as consumer discards of manufactured products;

12 (E) "Monitor" means a separate visual display component of a computer, whether
13 sold separately or together with a central processing unit, and includes a cathode ray tube
14 or liquid crystal display, its case, interior wires and circuitry, cable to the central
15 processing unit, and power cord;

16 (F) "Non-profit organization" means an organization incorporated as an entity
17 paying no dividends, governed by trustees who receive no compensation, and devoting all
18 its income, whether fees or gifts, donation, subsidies or other forms of philanthropy, to
19 the accomplishment and promotion of the purposes enumerated in its Articles of
20 Incorporation; and

21 (G) "Secretary" means the Secretary of the Department of Environment and
22 Natural Resources.

23 SECTION 4. *Fee.* –

24 (A) *Requirement.* – Effective one hundred eighty (180) days after the transmittal
25 to the Congress of the results of the study conducted under Section 7(A), the Secretary
26 shall require that a fee be assessed on the sale, including a sale through the Internet or a

1 catalogue, to an end-user of any computer, monitor, or other electronic device designated
2 by the Secretary under paragraph (C). The Secretary shall establish procedures for the
3 collection of such fee. The requirement under this section shall not apply to a sale by an
4 end-user to a subsequent end-user.

5 (B) *Fee Amount.* – The amount of the fee required under subsection (A) shall–

6 (1) Be an amount sufficient to cover the costs of carrying out section 5(A)
7 and paragraph (C) of this section;

8 (2) Be uniform–

9 (a) For each computer with a central processing unit and monitor
10 integrated in a single device;

11 (b) For each central processing unit;

12 (c) For each monitor; and

13 (d) For each class of other devices designated by the Secretary under
14 paragraph (C);

15 (3) Not exceed Five Hundred Pesos (P500.00) per computer, monitor, or
16 other designated device; and

17 (4) Be clearly indicated on the label, external packing materials, or sales
18 receipt of the computer, monitor, or device.

19 (C) *Administrative Costs.* – Persons required by the Secretary to collect a fee
20 under this section may retain three percent (3%) of amounts so collected to pay the costs
21 of administering the fee collection program.

22 (D) *Exempted Sales.* – The requirement of a fee under this section shall not apply
23 to a sale of a used computer, monitor, or device by a nonprofit organization.

24 (E) *Additional Exemption.* – The Secretary may exempt from the requirement of a
25 fee under this section any sale made under a contract or an arrangement that the Secretary

1 determines is likely to result in the maximum reuse of significant components of the
2 computer, monitor, or device, and the disposal of the remaining components—

- 3 (1) In an environmentally sound and responsible manner;
- 4 (2) Without violation of any Philippine law; and
- 5 (3) Without reliance on funding from the government, when the computer,
6 monitor, or device is no longer of use to the end-user.

7 (F) *Designation of Electronic Devices.* — The Secretary may designate additional
8 electronic devices to which the fee under paragraph (A) shall apply if those electronic
9 devices—

- 10 (1) Contain a significant amount of material that, when disposed of, would
11 be hazardous waste; and
- 12 (2) Include one or more liquid crystal displays, cathode ray tubes, or circuit
13 boards.

14 SECTION 5. *Grants.* —

15 (A) *Uses of Fee Amounts.* — Amounts collected under Section 4 shall be used, to
16 the extent provided in advance in appropriations Acts, by the Secretary for—

- 17 (1) Covering the costs of administration of this Act; and
- 18 (2) Making grants under paragraph (B).

19 Not more than ten percent (10%) of the funds available pursuant to this Act for
20 any fiscal year may be used for costs described in paragraph (1).

21 (B) *Grant Purposes.* — The Secretary shall make grants with funds collected under
22 Section 4 to individuals or organizations, including units of local government, for—

- 23 (1) Collecting or processing used computers, monitors, or other designated
24 devices for recycling purposes;
- 25 (2) Reusing or reselling such computers, monitors, or devices, or
26 components thereof; and

1 (3) Extracting and using, or selling for reuse, raw materials from such
2 computers, monitors, or devices.

3 (C) *Eligibility.* – An individual or organization shall be eligible for a grant under
4 paragraph (B) only if the individual or organization provides assurances to the
5 satisfaction of the Secretary that it will carry out the grant purposes in a manner that
6 complies with all applicable Philippine environmental and health laws.

7 (D) *Selection Criteria.* – In selecting proposals for grants under paragraph (B), the
8 Secretary shall consider–

9 (1) The quantity of used computers, monitors, or other designated devices
10 that will be diverted from landfills;

11 (2) The estimated cost per unit of the collection, processing, reuse, or sale
12 proposed;

13 (3) The availability of, and potential for, markets for recycled materials;

14 (4) The degree to which the proposal mitigates or avoids harmful
15 environmental or health effects;

16 (5) The degree to which the proposal employs innovative recycling
17 technologies; and

18 (6) The demonstrated history of the grant applicant in disposing of or
19 providing for the reuse of computers, monitors, or devices in an environmentally
20 sound and responsible manner without violation of any law.

21 The Secretary shall ensure that grants are provided to a geographically diverse
22 group of recipients.

23 SECTION 6. *Consultation.* – In carrying out this Act, the Secretary shall consult
24 with representatives of the computer manufacturing, retail, and recycling industries,
25 waste management professionals, environmental and consumer groups, and other
26 appropriate individuals and organizations, including local government units.

1 **SECTION 7. *Study and Reports.* –**

2 **(A) *Study.* – Not later than six months after the date of passage of this Act, the**
3 **Secretary shall transmit to the Congress the results of a study that–**

4 **(1) Identifies waste materials in used computers that may be hazardous to**
5 **human health or the environment;**

6 **(2) Estimates the quantities of such materials that exist or will exist in the**
7 **future, including a separate estimate of the quantities of such materials that are**
8 **exported to the Philippines;**

9 **(3) Estimates the costs of transporting, collecting, and processing**
10 **computers, monitors, and other designated devices;**

11 **(4) Describes current management of such waste materials;**

12 **(5) Makes recommendations for the management of electronic products**
13 **containing such waste materials at the end of their useful lives; and**

14 **(6) Estimates the demand for materials from recycled computers, and make**
15 **recommendations for increasing the markets for such materials.**

16 **(B) *Reports.* – Not later than one year after the date of the enactment of this Act,**
17 **and annually thereafter for four additional years, the Secretary shall transmit to the**
18 **Congress a report on the status of computer recycling. Such report shall include a**
19 **description of the amount of fees collected under Section 4, and a description of the**
20 **amount of administrative costs paid for and grants made under Section 5 with funds**
21 **collected through such fees.**

22 **SECTION 8. *Separability Clause.* – If any provision or part hereof is held invalid**
23 **or unconstitutional, the remainder of the law of the provision not otherwise affected shall**
24 **remain valid and subsisting.**

1 SECTION 9. *Repealing Clause.* – Any law, presidential decree or issuance,
2 executive order, letter of instruction, administrative order, rule or regulation contrary to,
3 or inconsistent with, the provisions of this Act is hereby repealed, modified or amended
4 accordingly.

5 SECTION 10. *Effectivity Clause.* – This Act shall take effect fifteen (15) days
6 after its publication in at least two (2) newspapers of general circulation.

Approved,

/ctrs13Nov2015