



SENATE
Office of the Secretary

NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)

24 MAY 15 P3:15

SENATE

S. No. 2677

RECEIVED BY: 

Introduced by Senator Manuel "Lito" M. Lapid

AN ACT
INSTITUTIONALIZING A GRANT AND FEE PROGRAM TO INCENTIVIZE AND
PROMOTE THE PROPER RECYCLING OF USED COMPUTERS AND TO
PROMOTE THE DEVELOPMENT OF A NATIONAL INFRASTRUCTURE FOR
THE RECYCLING OF USED COMPUTERS

EXPLANATORY NOTE

The Constitution, Article II, Section 15, declares that "[t]he State shall protect and promote the right to health of the people and instill health consciousness among them. Additionally, Section 16 of the same further asserts that "[t]he 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 put these declared policies into practice by aiming to reduce the amount of garbage accrued from used and discarded computers thereby minimizing our carbon footprint and helping maintain a balanced ecology for all.

In a consumer-driven, market-oriented economy, newer forms of technology are continuously emerging and are being adopted and utilized at a rapidly increasing pace. These technological innovations have effectively shrunk the world in a digital sense especially with the emergence of social media and high-speed internet connectivity. These developments have rendered vast intercontinental distances practically moot as goods, services, and even people are often just a push of a button away, provided one has the means to access the technology in the first place. Subsequently, the technology required to provide consumers with the means to interface with digital reality has also expanded exponentially over the past decade or

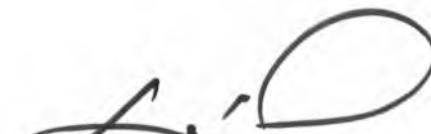
so as consumers now have a plethora of available options with which to acquire connectivity.

One such device which has gained widespread social recognition is the personal computer (PC), which traces its colloquial roots to the late-1980s when technology had evolved to the point where it could finally be owned and operated by individuals.

Unfortunately, a huge amount of consumption inevitably translates into a huge amount of waste. Previously owned computers declared outdated and obsolete may eventually be discarded by their owners and replaced with faster and more efficient machines. Without the proper regulations and procedures, the potentially hazardous and non-biodegradable materials that go into the assembly of these computers may be disposed of in such a way that may cause adverse health effects to people and contaminate the surrounding environment.

This bill seeks to institutionalize a grant and fee program to incentivize and promote the proper recycling of used computers and to promote the development of a national infrastructure for the recycling of used computers.

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


MANUEL "LITO" M. LAPID
Senator 

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Be it enacted by the Senate and 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 of 2024".

3 Sec. 2. *Declaration of Policy.* – It is hereby declared the policy of the State to
4 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
6 promote the right to health of the people and instill health consciousness among them.
7 To this end, the State shall endeavor to institutionalize a computer recycling program
8 that would minimize the dumping of non-biodegradable and/or hazardous waste from
9 discarded computer parts.

10 Sec. 3. *Definition of Terms.* – As used in this Act:

11 (A) "*Cathode Ray Tube*" refers to a vacuum tube or picture tube used to convert
12 an electronic signal into a visual image;

13 (B) "*Central Processing Unit*" or "*CPU*" refers to a case and all of its contents,
14 such as the primary printed circuit board and its components, additional
15 printed circuit boards, one or more disc drives, a transformer, interior wires,
16 and a power cord;

- 1 (C) "*Computer*" refers to an electronic, magnetic, optical, electrochemical, or
2 other high speed data processing device performing logical, arithmetic, or
3 storage functions, and may include both a central processing unit and a
4 monitor, but such term does not include an automated typewriter or
5 typesetter, a portable hand-held calculator, or other similar device;
- 6 (D) "*End-user*" refers to the individual for whom a hardware product is designed
7 from the developers, installers, and servicers of the product;
- 8 (E) "*Hazardous waste*" refers to substances that are without any safe
9 commercial, industrial, agricultural, or economic usage and are shipped,
10 transported, or brought from the country of origin for dumping or disposal
11 into or in transit through any part of the territory of the Philippines. It shall
12 also refer to by-products, side-products, process residues, spent reaction
13 media, contaminated plant or equipment or other substances from
14 manufacturing operations, and as consumer discards of manufactured
15 products;
- 16 (F) "*Monitor*" refers to a separate visual display component of a computer,
17 whether sold separately or together with a central processing unit, and
18 includes a cathode ray tube, liquid crystal, or light-emitting diode display,
19 its case, interior wires and circuitry, cable to the central processing unit, and
20 power cord;
- 21 (G) "*Non-profit organization*" refers to an organization incorporated as an entity
22 paying no dividends, governed by trustees who receive no compensation,
23 and devoting all its income, whether fees or gifts, donation, subsidies or
24 other forms of philanthropy, to the accomplishment and promotion of the
25 purposes enumerated in its Articles of Incorporation; and
- 26 (H) "*Secretary*" refers to the Secretary of the Department of Environment and
27 Natural Resources (DENR).

28 Sec. 4. *Fee.* –

- 29 (A) *Requirement.* – Effective one hundred eighty (180) days after the
30 transmittal to the Congress the results of the study conducted under Section
31 7(A), the Secretary shall require that a fee be assessed on the sale, including

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

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

7 (1) Be an amount sufficient to cover the costs of carrying out section
8 5(A) and paragraph (C) of this section;

9 (2) Be uniform –

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

12 (b) For each central processing unit;

13 (c) For each monitor; and

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

16 (3) Not exceed Two Hundred Pesos (P200.00) per computer, monitor, or
17 other designated device; and

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

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

23 (D) *Exempted Sales.* – Non-profit organizations who engage in the sale of a
24 used computer, monitor, or any other electronic device shall be exempt from
25 the fee requirements under this section.

26 (E) *Additional Exemption.* – The Secretary may exempt from the fee
27 requirements under this section any sale made under a contract or an
28 arrangement that the Secretary determines is likely to result in the
29 maximum reuse of significant components of the computer, monitor, or
30 device, and the disposal of the remaining components –

31 (1) In an environmentally sound and responsible manner;

32 (2) Without violation of any Philippine law; and

1 (3) Without reliance on funding from the government, when the
2 computer, monitor, or device is no longer of normal use to the end-
3 user.

4 (F) *Designation of Electronic Devices.* – The Secretary may designate additional
5 electronic devices to which the fee under paragraph (A) shall apply if those
6 electronic devices –

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

11 Sec. 5. *Grants.* –

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

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

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

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

- 22 (1) Collecting or processing used computers, monitors, or other
23 designated devices for recycling purposes;
24 (2) Reusing or reselling such computers, monitors, or devices, or
25 components thereof; and
26 (3) Extracting and using, or selling for reuse, raw materials from such
27 computers, monitors, or devices.

28 (C) *Eligibility.* – An individual or organization shall be eligible for a grant under
29 paragraph (B) only if the individual or organization provides assurances to
30 the satisfaction of the Secretary that it will carry out the grant purposes in

1 a manner that complies with all applicable Philippine environmental and
2 health laws.

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

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

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

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

10 (4) The degree to which the proposal mitigates or avoids harmful
11 environmental or health effects; and

12 (5) The degree to which the proposal employs innovative recycling
13 technologies; and

14 (6) The demonstrated history of the grant applicant in disposing of or
15 providing for the reuse of computers, monitors, or devices in an
16 environmentally sound and responsible manner without violation of
17 any law. *Provided,* That the grant applicant is an entity already
18 engaged in the activities outlined under paragraph (B) prior to the
19 effectivity of this Act.

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

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

26 *Sec. 7. Study and Reports.* –

27 *(A) Study.* – Within six (6) months after the date of effectivity of this Act, the
28 Secretary shall conduct a study and transmit the results to Congress, which
29 shall –

30 (1) Identify waste materials in used computers that may be hazardous
31 to human health or the environment;

- 1 (2) Describe current management of such waste materials;
2 (3) Estimate the quantities of such materials that exist or will exist in the
3 future, including a separate estimate of the quantities of such
4 materials that are exported to the Philippines;
5 (4) Estimate the costs of transporting, collecting, and processing
6 computers, monitors, and other designated devices;
7 (5) Estimate the demand for materials from recycled computers, and
8 make recommendations for increasing the markets for such
9 materials; and
10 (6) Make recommendation for the management of electronic products
11 containing such waste materials at the end of their useful lives.

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

18 *Sec. 8. Implementing Rules and Regulations.* - Within ninety (90) days after
19 the approval of this Act, the Secretary of the DENR shall issue the necessary rules and
20 regulations for the effective implementation of this Act.

21 *Sec. 9. Separability Clause.* – If any provision or part hereof is held invalid or
22 unconstitutional, the remainder of the law of the provision not otherwise affected shall
23 remain valid and subsisting.

24 *Sec. 10. Repealing Clause.* – Any law, presidential decree or issuance, executive
25 order, letter of instruction, administrative order, rule or regulation contrary to, or
26 inconsistent with, the provisions of this Act is hereby repealed, modified or amended
27 accordingly.

28 *Sec. 11. Effectivity Clause.* – This Act shall take effect fifteen (15) days after its
29 publication in at least two (2) newspapers of general circulation.

Approved,