


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

7 OCT 16 PG 20

SENATE
S. No. 1771

RECEIVED BY: 

Introduced by Senator Miriam Defensor Santiago

EXPLANATORY NOTE

The Constitution, Article II, states that:



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 Section 15 of the same Article II of the Constitution – 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 a 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.*


MIRIAM DEFENSOR SANTIAGO


* This bill was originally filed during the Thirteenth Congress, Second Regular Session.

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1 AN ACT
2 TO ESTABLISH A GRANT AND FEE PROGRAM TO ENCOURAGE AND PROMOTE THE
3 RECYCLING OF USED COMPUTERS AND TO PROMOTE THE DEVELOPMENT OF A
4 NATIONAL INFRASTRUCTURE FOR THE RECYCLING OF USED COMPUTERS

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

7 SECTION 1. *Short Title.* – This Act shall be known as the “National Computer Recycling
8 Act of 2007.”

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

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

16 (A) “Secretary” means the Secretary of the Department of Environment and Natural
17 Resources.

18 (B) “Cathode Ray Tube” means a vacuum tube or picture tube used to convert an
19 electronic signal into a visual image;

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

1 (D) "Computer" means an electronic, magnetic, optical, electrochemical, or other high
2 speed data processing device performing logical, arithmetic, or storage functions, and
3 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
5 other similar device;

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

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

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

22 SECTION 4. *Fee.* –

23 (A) *Requirement.* – Effective one hundred eighty (180) days after the transmittal to the
24 Congress of the results of the study conducted under section 7(A), the Secretary shall require that
25 a fee be assessed on the sale, including a sale through the Internet or a catalogue, to an end-user
26 of any computer, monitor, or other electronic device designated by the Secretary under
27 subsection (C). The Secretary shall establish procedures for the collection of such fee. The

1 requirement under this subsection shall not apply to a sale by an end-user to a subsequent end-
2 user.

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

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

6 (2) Be uniform--

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

9 (b) For each central processing unit;

10 (c) For each monitor; and

11 (d) For each class of other devices designated by the Secretary under
12 subsection (C);

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

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

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

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

22 (E) *Additional Exemption.* – The Secretary may exempt from the requirement of a fee
23 under this section any sale made under a contract or an arrangement that the Secretary
24 determines is likely to result in the maximum reuse of significant components of the computer,
25 monitor, or device, and the disposal of the remaining components--

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

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

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

1 (F) *Designation of Electronic Devices.* – The Secretary may designate additional
2 electronic devices to which the fee under subsection (A) shall apply if those electronic devices--

3 (1) Contain a significant amount of material that, when disposed of, would be
4 hazardous waste; and

5 (2) Include one or more liquid crystal displays, cathode ray tubes, or circuit
6 boards.

7 SECTION 5. *Grants.* –

8 (A) *Uses of Fee Amounts.* – Amounts collected under section 4 shall be used, to the
9 extent provided in advance in appropriations Acts, by the Secretary for--

10 (1) Covering the costs of administration of this Act; and

11 (2) Making grants under subsection (B).

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

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

16 (1) Collecting or processing used computers, monitors, or other designated
17 devices for recycling purposes;

18 (2) Reusing or reselling such computers, monitors, or devices, or components
19 thereof; and

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

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

26 (D) *Selection Criteria.* – In selecting proposals for grants under subsection (B), the
27 Secretary shall consider--

- 1 (1) The quantity of used computers, monitors, or other designated devices that
2 will be diverted from landfills;
- 3 (2) The estimated cost per unit of the collection, processing, reuse, or sale
4 proposed;
- 5 (3) The availability of, and potential for, markets for recycled materials;
- 6 (4) The degree to which the proposal mitigates or avoids harmful environmental
7 or health effects;
- 8 (5) The degree to which the proposal employs innovative recycling technologies;
9 and
- 10 (6) The demonstrated history of the grant applicant in disposing of or providing
11 for the reuse of computers, monitors, or devices in an environmentally sound
12 and responsible manner without violation of any law.

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

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

19 SECTION 7. *Study and Reports.* –

20 (A) *Study.* – Not later than six (6) months after the date of passage of this Act, the
21 Secretary shall transmit to the Congress the results of a study that--

- 22 (1) Identifies waste materials in used computers that may be hazardous to human
23 health or the environment;
- 24 (2) Estimates the quantities of such materials that exist or will exist in the future,
25 including a separate estimate of the quantities of such materials that are
26 exported to the Philippines;
- 27 (3) Estimates the costs of transporting, collecting, and processing computers,
28 monitors, and other designated devices;

- 1 (4) Describes current management of such waste materials;
2 (5) Makes recommendations for the management of electronic products
3 containing such waste materials at the end of their useful lives; and
4 (6) Estimates the demand for materials from recycled computers, and make
5 recommendations for increasing the markets for such materials.

6 (B) *Reports.* – Not later than one (1) year after the date of the enactment of this Act, and
7 annually thereafter for four (4) additional years, the Secretary shall transmit to the Congress a
8 report on the status of computer recycling. Such report shall include a description of the amount
9 of fees collected under Section 4, and a description of the amount of administrative costs paid for
10 and grants made under Section 5 with funds collected through such fees.

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

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

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

19 Approved,

jps/5-31-05