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SENATE  
S. No. **1521**

RECEIVED BY: 

Introduced by Senator Miriam Defensor Santiago

#### EXPLANATORY NOTE

The Constitution, Article 2, Section 16 provides that:

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.

Electronic waste or e-waste is of concern largely due to the toxicity and carcinogenicity of some of the substances if processed improperly. Toxic substances in electronic waste may include lead, mercury, cadmium. Carcinogenic substances in electronic waste may include polychlorinated biphenyls (PCBs). A typical computer monitor may contain more than 6% lead by weight, much of which is in the lead glass of the CRT. Capacitors, transformers, PVC insulated wires, PVC coated components that were manufactured before 1977 often contain dangerous amounts of polychlorinated biphenyls. Up to thirty-eight separate chemical elements are incorporated into electronic waste items. The unsustainability of discarding electronics and computer technology is another reason for the need to recycle - or perhaps more practically, reuse - electronic waste.

If treated properly, electronic waste is a valuable source for secondary raw materials. However, if not treated properly, it is a major source of toxins and carcinogens. Rapid technology change, low initial cost and even planned obsolescence have resulted in a fast growing problem around the globe. Technical solutions are available but in most cases a legal framework, a collection system, logistics and other services need to be implemented before a technical solution can be applied. Electronic waste represents 2 percent of America's trash in landfills, but it equals 70 percent of overall toxic waste.

Uncontrolled burning, disassembly, and disposal are causing environmental and health problems, including occupational safety and health effects among those directly involved, due to the methods of processing the waste. Trade in electronic waste is controlled by the Basel Convention.

This bill aims to remedy the e-waste coming from used or discarded computer equipment by making the manufacturers primarily liable for recycling or disposing them.<sup>1</sup>

*Miriam Defensor Santiago*  
MIRIAM DEFENSOR SANTIAGO

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<sup>1</sup> This bill was originally filed during 14<sup>th</sup> Congress, 1<sup>st</sup> Regular Session.

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1 AN ACT  
2 REQUIRING THE MANUFACTURERS OF COMPUTERS TO PROVIDE RECOVERY  
3 AND COLLECTION FACILITIES FOR THEIR PRODUCTS

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

4 SECTION 1. *Short Title.* – This Act shall be known as the “Computer Recovery and  
5 Collection Act.”

SECTION 2. *Purpose.* – It is the purpose of this Act to –

- 6 (A) protect the environment from the hazards of the improper disposal of obsolete  
7 computer equipment;  
8 (B) encourage the responsible sale and disposal of computer equipment; and  
9 (C) assist consumers in the recycling or disposal of their computer equipment.

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

- 11 (A) Brand - refers to the name, symbol, logo, trademark, or other information that  
12 identifies a product rather than the components of the product;  
13 (B) Computer equipment - refers to a desktop or notebook computer and includes a  
14 computer monitor or other display device that does not contain a tuner;  
15 (C) Consumer - refers to an individual who uses computer equipment that is primarily  
16 for personal or home business use;  
17 (D) Department - refers to the Department of Environment and Natural Resources;  
18 (E) Manufacturer - refers to a person:  
19 (1) Who manufactures or manufactured computer equipment under a brand that:  
20 a. The person owns or owned; or

1           b. The person is or was licensed to use, other than under a license to  
2 manufacture computer equipment for delivery exclusively to or at the order of the  
3 licensor;

4           (2) Who sells or sold computer equipment manufactured by others under a brand  
5 that:

6           a. The person owns or owned; or

7           b. The person is or was licensed to use, other than under a license to  
8 manufacture computer equipment for delivery exclusively to or at the order of the  
9 licensor;

10          (3) Who manufactures or manufactured computer equipment without affixing a  
11 brand;

12          (4) Who manufactures or manufactured computer equipment to which the person  
13 affixes or affixed a brand that:

14          a. The person does not or has not owned; or

15          b. The person is not or was not licensed to use; or

16          (5) Who imports or imported computer equipment manufactured outside the  
17 Philippines into the Philippines unless at the time of importation the company or licensee  
18 that sells or sold the computer equipment to the importer has or had assets or a presence  
19 in the Philippines sufficient to be considered as the manufacturer;

20          (6) Television-refers to any telecommunication system device that can receive  
21 moving pictures and sound broadcast over a distance and includes a television tuner or a  
22 display device peripheral to a computer in which the display device contains a television  
23 tuner.

24          SECTION 4. *Exceptions.* – This Act shall not apply to -

25          (A) A television, or any part of a moving vehicle, a personal digital assistant, or a  
26 telephone;

27          (B) A consumer's lease of computer equipment or a consumer's use of computer  
28 equipment under a lease agreement; or

1 (C) The sale or lease of computer equipment to an entity when the manufacturer and the  
2 entity enter into a contract that effectively addresses the collection, recycling, and reuse of  
3 computer equipment that has reached the end of its useful life.

4 SECTION 5. *Requirements.* --

5 (A) Before a manufacturer may offer computer equipment for sale, the manufacturer  
6 shall-

7 (1) Adopt and implement a recovery plan;

8 (2) Submit a written copy of the recovery plan to the department; and

9 (3) Affix a permanent, readily visible label to the computer equipment with the  
10 manufacturer's brand.

11 (B) The recovery plan shall enable a consumer to recycle computer equipment without  
12 paying a separate fee at the time of recycling and shall include provisions for:

13 (1) The manufacturer's collection from a consumer of any computer equipment that  
14 has reached the end of its useful life and is labeled with the manufacturer's brand; and

15 (2) Recycling or reuse of computer equipment collected under the recovery plan of  
16 this subsection.

17 (C) The collection of computer equipment provided under the recovery plan shall be:

18 (1) Reasonably convenient and available to consumers; and

19 (2) Designed to meet the collection needs of consumers.

20 SECTION 6. *Standard Collection Methods.* -- The following collection methods shall,  
21 alone or combined meet the convenience requirements of this section include a system:

22 (A) By which the manufacturer or the manufacturer's designee offers the consumer the  
23 option for returning computer equipment by mail at no charge to the consumer;

24 (B) Using a physical collection site that the manufacturer or the manufacturer's designee  
25 keeps open and staffed and to which the consumer may return computer equipment; and

26 (C) Using a collection event held by the manufacturer or the manufacturer's designee at  
27 which the consumer may return computer equipment.

1       SECTION 7. *Other Means of Compliance.* – Collection services under this Act may use  
2 existing collection and consolidation infrastructure for handling computer equipment and may  
3 include systems jointly managed by a group of manufacturers, electronic recyclers and repair  
4 shops, recyclers of other commodities, reuse organizations, non-profit corporations, retailers,  
5 recyclers, and other suitable operations. If a manufacturer or its designee offers a mail-back  
6 system as described here, either individually or by working together with a group of  
7 manufacturers or by working with others, it shall be deemed to meet the convenience  
8 requirements of this section.

9       SECTION 8. *Information Requirement.* – The recovery plan shall include information for  
10 the consumer on how and where to retain the manufacturer's computer equipment. The  
11 manufacturer:

12       (A) Shall include collection, recycling and reuse information on the manufacturer's  
13 publicly available Internet site;

14       (B) Shall provide collection, recycling and reuse information to the department; and

15       (C) May include collection, recycling and reuse information in the packaging for or in  
16 other materials that accompany the manufacturer's computer equipment when the equipment is  
17 sold.

18       SECTION 9. *Information Requirement.* – Each manufacturer shall submit a report to the  
19 department not later than January thirty first of each year that includes:

20       (A) The weight of computer equipment collected, recycled and reused during the  
21 preceding calendar year; and

22       (B) Documentation certifying that the collection, recycling and reuse of computer  
23 equipment during the preceding calendar year was conducted in conformity with sound  
24 environmental management.

25       SECTION 10. *Compliance by More Than One Manufacturer.* – If more than one person  
26 is the manufacturer of a certain brand of computer equipment, any of those persons may assume  
27 responsibility for and satisfy the obligations of a manufacturer for that brand. If none of those

1 persons assumes responsibility or satisfies the obligations of a manufacturer, the department may  
2 consider any of those persons to be the responsible manufacturer for purposes of this Act.

3 SECTION 11. *Prohibition.* – A person who is a retailer of computer equipment shall not  
4 sell or offer to sell new computer equipment unless the equipment is labeled With the  
5 manufacturer’s label and the manufacturer is included on the department’s list of manufacturers  
6 that have recovery plans. The department shall keep a database in its Internet site of the  
7 manufacturers that are on its list of manufacturers with recovery plans.

8 SECTION 12. *Auditing and Inspection Powers.* – The department may conduct audits  
9 and inspections to determine compliance with this Act.

10 SECTION 13. *Penalties.* – The department may assess a penalty against a manufacturer  
11 that does not label its computer equipment or adopt, implement or submit a recovery plan as  
12 required by this Act. No penalty shall be assessed for a first violation and the amount of the  
13 penalty shall not exceed fifty thousand pesos for the second violation or one hundred thousand  
14 pesos for each subsequent violation.

15 SECTION 14. *Computer Recycling Fund.* – Any penalty collected under the preceding  
16 section shall be credited to the “Computer Recycling Fund,” which is hereby created and the  
17 money collected from this fund shall be used for the purpose of funding the administrative  
18 requirements of this Act. Any amount remaining at the end of every two years shall revert to the  
19 national treasury.

20 SECTION 15. *Recycling of Collected Equipment.* – All computer equipment collected  
21 under this Act shall be recycled or reused in a manner that complies with the standards to be set  
22 by the department Secretary provided that its cost is reasonable and it is environmentally sound.

23 SECTION 16. *Separability Clause.* – If any provision, or part hereof is held invalid or  
24 unconstitutional, the remainder of the law or the provision not otherwise affected shall remain  
25 valid and subsisting.

1       SECTION 17. *Repealing Clause.* – Any law, presidential decree or issuance, executive  
2   order, letter of instruction, administrative order, rule or regulation contrary to or inconsistent  
3   with, the provisions of this Act is hereby repealed, modified, or amended accordingly.

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

Approved,