# SEVENTEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES

Senate Office of the Secretary

First Regular Session

16 JUL 19 A10:24

SENATE

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s. b. no. <u>43</u>0

RECEIVED BY:

### Introduced by SENATOR LOREN LEGARDA

AN ACT TO REGULATE THE PRODUCTION, IMPORTATION, SALE, USE, RECYCLING, AND DISPOSITION OF PLASTIC BAGS, PROMOTING THE USE OF NATIVE REUSABLE BAGS, PROVIDING A MECHANISM FOR THE RECOVERY AND COLLECTION OF PLASTIC BAGS, AND FOR OTHER PURPOSES

#### **Explanatory Note**

Plastic bags are ubiquitous components of the world's consumer culture. These non-biodegradable plastic bags symbolize the throwaway culture which the Philippines, along with many other countries, have developed.

According to the Earth Policy Institute based in Washington, D.C., United States, an estimated one trillion single-use plastic bags are used each year, or at the rate of almost 2 million per minute. As they are oftentimes immediately discarded, single-use plastic bags are commonly found in landfills and have become a significant cause of water pollution. It is also well-recognized that the burning of plastic bags has adverse impacts to the environment and to human health, given the level of toxic chemical content.

This bill aims to strictly regulate the production, importation, sale and use of plastic bags. A point-of-sale store shall be prohibited from providing the consumer with plastic bags for the purpose of carrying or transporting items or products purchased by the said consumer. This will put the use of single-use plastic bags to a minimum considering that plastics are made from petroleum. Plastic and paper products as defined and used under this Act shall be appropriately and properly labeled to be biodegradable, non-biodegradable, or recyclable, as the case may be. More importantly, manufacturers will have an important role in the recycling and proper disposal of their own products.

For these compelling reasons, the immediate approval of this bill is urgently sought.

LOREN LEGARDA Senator



## SEVENTEENTH CONGRESS ) REPUBLIC OF THE PHILIPPINES )

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SENATE S.B. No. 430 RECEIVED BY:

#### Introduced by SENATOR LOREN LEGARDA

AN ACT TO REGULATE THE PRODUCTION, IMPORTATION, SALE, USE, RECYCLING, AND DISPOSITION OF PLASTIC BAGS, PROMOTING THE USE OF NATIVE REUSABLE BAGS, PROVIDING A MECHANISM FOR THE RECOVERY AND COLLECTION OF PLASTIC BAGS, AND FOR OTHER PURPOSES

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

- **SEC. 1**. **Short title.** This Act shall be known as the "Plastic Bags Regulation Act."
  - **SEC. 2. Declaration of policy.** It is hereby declared the policy of the State to protect and promote the right of the people to a balanced and healthful ecology and the right to health. It is also hereby declared the policy of the State to protect the physical, moral and social well-being of its citizens by ensuring the use of non-toxic and non-hazardous materials in commerce and trade. Towards this end, the State shall regulate the manufacture, use, recycling, and disposition of plastic bags.
- **SEC. 3. Definition of terms.** For the purpose of this Act, the following terms shall be defined as follows:
  - a) **Biodegradable plastic bag** a plastic bag that is made of compostable material and biodegrades through the action of naturally occurring microorganisms such as bacteria, fungi, and algae. Such plastic bags shall have a ninety percent (90%) biodegradation in less than 6 months where organic carbon is converted to carbon dioxide without leaving significant harmful residue.
    - This definition shall not include degradable bags (such as oxo-bio) which, only break down into smaller pieces of plastic. Such degradable bags shall be considered as plastic bags as defined under this Act.
  - b) **Consumer -** any person or group of persons who makes a purchase or completes a transaction in any point-of-sale store or establishment.
  - c) **Manufacturer** a duly accredited person, company, or association of companies in control of, or habitually engaged in, the business or related business of manufacturing, producing, distributing, or redistribution of plastic bags, as defined in the Act. In case of imported

plastic bags, the manufacturer's representative or, in his absence, the importer shall be deemed the manufacturer for purposes of this Act.

d) **Operator** - a person or group of persons in control of, or having daily responsibility for the operations, of the point-of-sale store.

e) **Philippine National Standards (PNS)** – the national standard approved by the Technical Committee under the Bureau of Products Standard of the Department of Trade and Industry (DTI).

f) **Plastic bag** - a polymer bag or a bag made in whole or in part of polyethylene, polypropylene, and polycarbon, or other similar material, and designed to be provided or utilized at the point of sale store for carrying or transporting goods or items.

This definition includes single-use carry-out bags.

g) **Point-of-sale store** - any store, retail/wholesale establishment, kiosk, market stall, supermarket, side-walk or ambulant vendor stalls, and other similar and analogous businesses that trade or sell goods, items, and merchandise, whether consumable or non-consumable.

h) Recyclable paper carry-out bag - a paper bag that meets all of the following requirements: i) contains no old growth fiber; ii) is one hundred percent (100%) recyclable overall and contains a minimum of forty percent (40%) postconsumer recycled material without lamination or wax; iii) is capable of composting and is biodegradable; iv) is accepted for recycling; v) has printed on the bag the name of the manufacturer, the location where the bag was manufactured, and the percentage of postconsumer recycled material used; and, vi) displays the words "Please Recycle" in a highly visible manner on the outside of the bag.

i) **Re-usable bag** - any shopping bag used for carrying or transporting goods or items, which can be used several times. This shall include those made of materials such as *cloth*, *cotton*, *pandan*, *cheese cloth*, *coco cloth*, *abaca*, *buri*, water lily, and the like, and those made with recycled materials.

Such re-usable bag shall also be specifically designed and manufactured for multiple re-use and meets all of the following requirements: i) has a minimum lifetime of 125 uses, which for purposes of this subsection, means the capability of carrying a minimum of 10 kilograms 125 times over a distance of at least 50 meters; ii) has a minimum volume of 15 liters; iii) is machine washable or capable of being cleaned and disinfected; and, iv) does not contain any toxic or harmful substance or chemical such as but not limited to lead, cadmium, or any other heavy metal as provided for by existing rules and regulations by the Department of Environment and Natural Resources (DENR).

**SEC. 4**. **Scope.** This Act shall apply to the manufacture, use, recycling, and disposition of all plastic bags used in trade or commerce, in all establishments, stores, outlets, point-of-sale areas, as well as cafeterias, canteens, and other food establishments wherever located in the Philippines.

**SEC. 5. Prohibition on the use of plastic bags; Exceptions.** A point-of-sale store shall be prohibited from providing the consumer with plastic bags for the purpose of carrying or transporting items or products purchased by the said consumer.

Plastic bags solely used to contain the following are exempted from the above-prohibition: i) fresh fish and fresh fish products; ii) fresh meat or fresh meat products; and, iii) fresh poultry and fresh poultry products. Provided that each plastic bag shall be subject to the levy as prescribed by Section 6.

Provided further that the products above are not otherwise contained in primary plastic packaging and where such plastic bags, with a minimum thickness of 100 microns, is capable of being re-used for other useful purposes.

This exemption shall apply only for a period of (1) year from the effectivity of this Act.

Primary plastic packaging such as those used to pre-pack food items above and primary packaging used in the manufacturing of finished products for sale in the general market shall be excluded from the prohibitions under this Act.

**SEC. 6. Phase-out of plastic bags; Levy for the use in the interim period.** The prohibition in Section 5 on the use of plastic bags shall be in full force and effect within one (1) year from the effectivity of the Act.

In the interim period, the following shall be enforced:

a) Within six (6) months from the effectivity of this Act, only re-usable bags, recyclable paper carry-out bags, and/or biodegradable plastic bags shall be given by point-of-sale stores for purchases made by consumers. The use of plastic bags as defined in this Act shall be strictly prohibited.

 b) Biodegradable plastic bags allowed under this Act shall have printed on the bag the name of the manufacturer, the location where the bag was manufactured, and the following in clear and legible text: "PLEASE RETURN TO ANY DISTRIBUTING STORE AND RECYCLING CENTERS", or its equivalent in the applicable regional language, as the case may be.

c) Plastic bags already manufactured and in circulation in the general market shall be collected, recycled, and properly disposed of by the manufacturers pursuant to the provisions of this Act.

d) For each piece of biodegradable plastic bag or recyclable paper carry-out bag used and given in subparagraph (a) of this Section, the point-of-sale store shall charge to the consumer a minimum levy of five pesos (Php.5.00).

e) The amount collected in subparagraph (d) of this Section by the point-of-sale store shall be reflected in the official receipt. 50% of the said amount shall be kept by the point-of-sale store to cover the cost of the said bags, while 50% shall be remitted to the local

government unit (LGU) with jurisdiction over the store to be used as a Special Environment Fund created under this Act.

At the end of the six (6) month period and upon full effectivity of this Act, the further and continued use of biodegradable plastic bags shall be strictly prohibited, and only re-usable bags and/or recyclable paper carry-out bags shall be used at all point-of-sale stores and other covered establishments. Point-of-sale stores and plastic manufacturers shall ensure that biodegradable plastic bags in the general market are properly collected and disposed of.

**SEC. 7. Recycling of used plastic bags.** Used plastic bags, when allowed by this Act or those manufactured or used before the Act's effectivity, shall be recycled. It shall be the duty of the plastic manufacturers to recycle the said plastic bags in a manner consistent with existing laws, rules, and regulations, and ensuring that no harmful chemicals or substances are released to the environment.

Point-of-sale stores shall serve as the collection points for used plastic bags. LGUs and plastic manufacturers shall put systems and procedures in place for the proper collection of the used plastic bags and its delivery to the recycling centers.

It shall be the responsibility of the manufacturers that plastic bags which they manufactured are properly collected, recycled, and disposed of as the case may be.

Manufacturers shall also maintain records describing the recovery, collection, transport, recycling of plastic bags collected annually and shall make the records available to the Department and/or the local government unit concerned, upon request, to demonstrate compliance with this Act.

 **SEC. 8. Proper disposal and management of plastic waste.** The disposal and management of plastic waste shall be done in accordance and pursuant to the provisions of Republic Act No. 9003 or the Ecological Solid Waste Management Act.

The DENR, in coordination with the Department of Science and Technology (DOST), shall develop the appropriate standards for the disposal of plastic wastes, ensuring that zero emissions are achieved and no harmful chemicals are released to the environment in the process.

**SEC. 9. Promoting the use of native reusable bags and those made with recycled materials** - The use of native reusable bags made of organic materials such as *cloth, cotton, pandan, cheese cloth, coco cloth, abaca, buri,* water lily, and the like, those made with recycled materials, and re-usable containers made of glass or non-toxic and hazardous materials, shall be promoted and encouraged.

Point-of-sale stores shall be required to promote the use of reusable bags. Advertisements and signage regarding the said promotion shall be placed in conspicuous places within the premises of their store.

Point-of-sale stores shall also be mandated to provide for free and/or to offer for sale at a reasonable price reusable bags as defined in this Act.

**SECTION 10. Incentives for the manufacture of reusable bags -** The manufacture of reusable bags shall be supported and encouraged.

Individuals, cooperatives, partnerships, and corporations which engage in the manufacture of reusable bags shall be given incentives provided for under the Philippine Cooperative Code of 2008, The Barangay Micro-Business Enterprise Act of 2002, The Magna Carta for Micro, Small, and Medium Enterprises, or the Omnibus Investment Code of 1987, where applicable. The DENR and DTI, in coordination with the Department of Finance (DOF), shall provide technical and financial assistance to these manufacturers.

LGUs are encouraged and shall be allowed to provide additional benefits and incentives to manufacturer of reusable bags within their jurisdiction, which shall be in addition to the benefits and incentives provided for in the previous paragraph.

Nothing in this Act shall prohibit or limit the right of the said manufacturers to be entitled to additional benefits and incentives which may be given by new laws, rules, and regulations in the future.

**SEC. 11. Program for affected employees and workers of the plastic industry.** The DTI, Technical Education and Skills Development Authority (TESDA), and Department of Labor and Employment (DOLE), in coordination with plastics manufacturers, non-government and civil society organizations, and other concerned stakeholders, shall conduct studies to determine the impact of this Act on affected plastic industry employees and workers.

They shall develop a program for alternative livelihood opportunities for the affected employees and workers in areas such as recycling of used plastic products and cottage industries for the manufacture of re-usable bags, among others.

**SEC. 12.** Use of re-usable bags and paper bags in-lieu of plastic bags. Upon the full implementation of this Act, point-of-sale stores shall be allowed to provide consumers and customers with re-usable bags as provided for in Section 9, and paper bags for purchased goods and items, provided that the paper bag is a recyclable paper carry-out bag as defined in this Act.

A minimum levy of four pesos (Php. 4.00) per paper bag used shall be charged to the consumer by the point-of-sale store.

 **SEC. 13. Labeling requirements.** Plastic and paper products as defined and used under this Act shall be appropriately and properly labeled to be biodegradable, non-biodegradable, or recyclable, as the case may be. Labels shall also include the name of the manufacturer, the location where the bag was manufactured, the percentage of postconsumer recycled material used, and an indication of the materials, chemicals, and substances used to manufacture the said product. Said products shall also comply with any rules or regulations on product labeling as required by RA 7394, or the Consumer Act of the Philippines.

The DENR, in coordination with the DTI, shall determine the proper manner of labeling, and shall periodically review the same. In addition, the DTI shall

certify as true and correct the labels used by manufacturers, and only those products with the proper certification shall be allowed into the market.

Violators of this section shall be meted the same penalties as those provided for mislabeled or improperly labeled products in RA 7394. In addition, products not properly labeled shall not be allowed into the market and shall be confiscated by the authorities concerned.

**SEC. 14. Compliance with Philippine National Standards (PNS)**. – Products and items referred to in this act, such as plastic bags, reusable bags, and paper bags, shall comply with the rules and processes of the Bureau of Product Standards of the DTI in collaboration with the other relevant government agencies such as the DOH and DENR to harmonize/upgrade with existing standards, where applicable.

**SEC. 15. Monitoring and market inspection**. The DENR and DTI, in coordination with the LGUs and local law enforcement agencies, shall cause the regular and routine inspection and monitoring of point-of-sale stores and facilities of plastic manufacturers to determine compliance with this Act. Inspection and monitoring shall include the following:

a) Enter or access to the premises of operation and business, including storage rooms and stockrooms;

b) Inspect off-site storage facilities, distribution centers, and transshipment points; and,

c) Inspect sanitary landfills to determine if only residual plastic products are being disposed of.

**SEC. 16**. **Certification.** The LGUs concerned, after the conduct of a thorough examination and inspection, shall issue the necessary certificate to show whether or not the point-of-sale store and the plastic manufacturer are compliant with the mandates and directives of this Act.

The said LGU Certification shall be a requirement for the renewal of any local permits after the effectivity of this Act.

**SEC. 17. Lead implementing agency.** The DENR shall be the lead implementing agency for this Act. The DENR shall closely coordinate with other concerned government agencies such as but not limited to the DTI, Department of Health (DOH), Department of the Interior and Local Government (DILG), Department of Public Works and Highways (DPWH), Department of Education (DepEd), DOLE, and TESDA, among others.

**SEC. 18.** Role of the National Solid Waste Management Commission (NSWMC). The NSWMC created pursuant to Section 4 of RA 9003 shall, in addition to its functions under the said law, aid and assist in the implementation and enforcement of its Act.

The NSWMC is hereby mandated to conduct studies to ensure the harmonious implementation of this Act with RA 9003.

 The concerned departments and agencies are hereby mandated and directed to provide the necessary financial and manpower resources to enable the NSWMC to perform its additional functions under this Act.

**SEC. 19**. **Role of the Department of Science and Technology (DOST).** The DOST shall conduct studies to determine the proper and environmentally acceptable kinds of biodegradable plastic and paper bags. It shall include in the PNS the specifications of the said products, taking into consideration existing and available best technologies and internationally mandated and accepted standards, and in accordance with the provisions, mandates, and standards of this Act.

DOST, in coordination with the National Ecology Center, shall provide the LGUs with technical assistance, trainings, and continuing capability-building programs to attain the objectives of this Act.

DOST shall also provide assistance to the DENR and the manufacturers for the implementation of this Act, particularly as regards the proper recycling and disposition of used plastic bags, and developing more environmentally friendly types of plastic used as primary packaging materials, among others.

**SEC. 20**. **Role of LGUs and other stakeholders.** LGUs shall have the primary responsibility in the effort to decrease the percentage of plastic bag waste produced within their respective jurisdictions. They shall also be primarily responsible for the enforcement of the prohibitions of this Act and the monitoring of the collection of recyclable used plastic bags by manufacturers.

Other stakeholders, such as but not limited to business groups, consumers groups and civil society organizations, are encouraged to support the implementation of this Act.

The composition of the NSWMC under RA 9003 is hereby expanded to include, as a member from the private sector, a representative from the cottage industry and manufacturers of re-usable and recyclable bags.

**SEC. 21. Effect on LGU ordinances effective before or after effectivity of this Act.** LGU ordinances in relation to this Act, such as bans and prohibitions on the use of plastic bags, promulgated and enforced prior to the effectivity of this Act shall remain valid and subsisting. The said LGUs are encouraged to amend their respective ordinances to be in line with the provisions and mandates of this Act.

LGUs that do not have ordinances enacted upon the effectivity of this Act are also encouraged to enact their respective ordinances to complement and implement the provisions and implementation of this Act.

The provisions, mandates, and directives of this Act shall serve as minimum standards and stipulations for LGU ordinances. Nothing in this Act shall be construed as limiting the authority of LGUs to enact ordinances which provide for stricter measures and standards than those provided for in this Act.

**SEC. 22**. **Information and education campaign.** The DENR, in coordination with the LGUs, DILG, DepEd, Commission on Higher Education

1 (CHED), and Public Information Agency (PIA), shall conduct a continuing 2 information and education campaign on the proper regulation of plastic bags 3 in the country.

5 Such campaign shall be incorporated in and shall be in addition to the 6 public information and education campaign under Section 55 of RA No. 7 9003.

**SEC. 23**. **Penalties and sanctions.** Violations of this Act shall be imposed the following penalties:

a) For Micro, Small and Medium Enterprises as defined in RA 6977, as amended, Barangay Micro Business Enterprises under RA 9178, and all other enterprises and establishments not otherwise value-added tax (VAT) registered, the following penalties shall be imposed:

First offense - A fine of five thousand pesos (Php. 5,000.00);

Second offense – A fine of twenty five thousand pesos (Php. 25,000.00) and suspension of its business permit for three (3) months;

Third offense – A fine of fifty thousand pesos (Php. 50,000.00) and suspension of its business permit for one (1) year; and,

Fourth offense – A fine of one hundred thousand pesos (Php. 100,000.00) and permanent suspension of its business permit. The said business permit shall not be eligible for renewed application for a period of 5 years. Thereafter, the LGU concerned may grant the said store with a business permit, provided its operator can show steps and measures will be put in place to comply with this Act. A further violation after the issuance of a new business permit shall perpetually bar the said operator from conducting its business in the LGU concerned.

b) For VAT registered stores, establishments, and enterprises, and for all plastic manufacturers found violating this Act the following penalties shall be imposed:

First offense – A fine of fifty thousand pesos (Php. 50,000.00);

Second offense – A fine of one hundred thousand pesos (Php. 100,000.00) and suspension of its business permit for three (3) months;

Third offense – A fine of two hundred fifty thousand pesos (Php. 250,000.00) and suspension of its business permit for one (1) year; and,

Fourth offense – A fine of five hundred thousand pesos (Php. 500,000.00) and permanent suspension of its business permit. The said business permit shall not be eligible for renewed application for a period of 5 years. Thereafter, the LGU concerned may grant the said store with a business permit, provided its operator can show steps and measures will be put in place to comply with this

Act. A further violation after the issuance of a new business permit shall perpetually bar the said operator from conducting its business in the LGU concerned.

If the offender in (a) or (b) above is a corporation, trust or firm, partnership, association or any other entity, the penalty shall be imposed on the entity's responsible officers including, but not limited to, the president, chief executive officer, general manager, managing director or partner directly responsible thereof.

 **SEC. 24. Administrative sanctions.** Local government officials and officials of government agencies concerned who fail to comply with and enforce this Act shall be administratively charged in accordance with RA 7160 and other existing laws, rules, and regulations.

**SEC. 25. LGU Special Environmental Fund for Plastic Bag Regulation.** A Special Environmental Fund for Plastic Bag Regulation (hereinafter referred to as the Fund) is hereby created, to be composed of levies, fees, and fines collected pursuant to the implementation and enforcement of this Act.

The Fund shall be exclusively used for the following:

a) Improve the capacity of LGUs, and local law enforcement agencies for the implementation of this Act;

b) Conduct of information and education campaigns on plastic bags regulation and related environmental awareness measures;

c) Assistance and provision of incentives for manufacturers and community-based initiatives for the production of native re-usable bags, as well as for non-government and civil society organizations promoting proper solid waste management; and.

d) Additional provisions for the Solid Waste Management Fund under RA 9003.

**SEC. 26. Appropriations.** Such amount as may be necessary to implement the provisions of this Act is hereby included in the annual appropriations of the DENR and other implementing agencies under the General Appropriations Act (GAA).

SEC. 27. Access to information/public disclosure requirements. public access to records, reports or notification. The public shall have access to records, reports, or information concerning the implementation and mandates of this Act.

 Such documents shall be available for inspection or reproduction during normal business hours; provided that the DENR or concerned LGU may consider a record, report or information or particular portions thereof confidential and may not be made public when such would divulge trade secrets, production or sales figures or methods, production or processes unique to such manufacturer, seller, or distributor, or would otherwise tend to affect adversely the competitive position of such manufacturer, seller or distributor.

 **SEC. 28. Citizens suit.** For the purposes of enforcing the provisions of this Act or its implementing rules and regulations, any citizen may file an appropriate civil, criminal, or administrative action in the proper courts/bodies against:

a) Any person who violates or fails to comply with the provisions of this act and its implementing rules and regulations; or,

 b) The department or other implementing agencies with respect to orders, rules and regulations issued inconsistent with this act; and/or,

 c) Any public officer who willfully or grossly neglects the performance of an act specifically enjoined as a duty by this act or its implementing rules and regulations; or abuses his authority in the performance of his duty; or, in any manner improperly performs his duties under this act or its implementing rules and regulations; *Provided*, *however*, that no suit can be filed until after a thirty-day (30) notice has been given to the public officer and the alleged violator concerned and no appropriate action has been taken thereon.

The court shall exempt such action from the payment of filing fees and statements likewise, upon *prima facie* showing of the non-enforcement or violation complained of, exempt the plaintiff from the filing of an injunction bond for the issuance of preliminary injunction.

In the event that the citizen should prevail, the court shall award reasonable attorney's fees, moral damages and litigation costs as appropriate.

**SEC. 29. Suits and strategic legal action against public participation (SLAPP).** Where a suit is brought against a person who filed an action as provided in Section 28 of this Act, or against any person, institution or government agency that implements this act or any other consumer related laws, rules, and regulations, it shall be the duty of the investigating prosecutor or the court, as the case may be, to immediately make a determination within not exceeding thirty (30) days whether said legal action has been filed to harass, vex, exert undue pressure or stifle such legal recourses of the person complaining or enforcing the provisions of this act. Upon determination thereof, evidence warranting the same, the court shall dismiss the case and award the attorney's fees and double damages.

This provision shall also apply and benefit public officers who are sued for acts committed in their official capacity, there being no grave abuse of authority, and done in the course of enforcing this Act, its rules, regulations, and guidelines.

**SEC. 30. Congressional Oversight Committee.** The Joint Congressional Oversight Committee created under Section 60 of RA No. 9003 shall also have the power to monitor and evaluate the implementation of this Act.

**SEC. 31**. **Implementing Rules.** – The DENR, in coordination with the DTI, DILG, and the concerned government agencies and representatives of LGU organizations shall issue Implementing Rules and Regulations within sixty (60) days after the effectivity of this Act.

 **SEC. 32. Construction.** The best interests of the consumer and the right to a healthful and balanced ecology shall be considered in the construction and interpretation of this act and its IRR.

**SEC. 33**. **Separability clause.** If, for any reason, a provision or part hereof is declared invalid or unconstitutional, the other provisions not affected thereby shall remain in full force and effect.

**SEC. 34**. **Repealing clause.** All laws, decrees, executive issuances, rules and regulations or parts thereof inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

**SEC. 35**. **Effectivity clause.** This Act shall take effect fifteen (15) days after its publication in any newspaper of general circulation.

16 Approved,