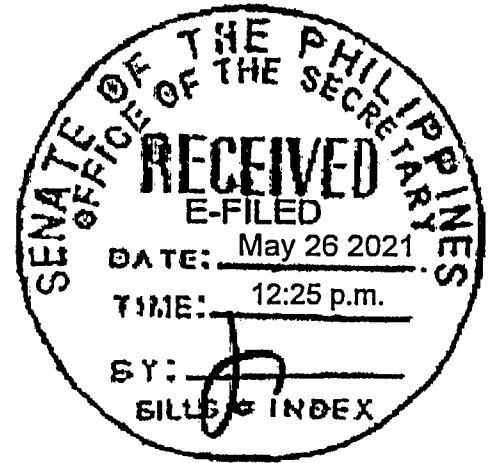


EIGHTEENTH CONGRESS OF THE
REPUBLIC OF THE PHILIPPINES
Second Regular Session

)
)
)



SENATE

COMMITTEE REPORT No. 265

Submitted by the Committees on Trade, Commerce and Entrepreneurship; Health and Demography; and Finance on May 26, 2021.

Re: **Senate Bill No. 2239** Prepared by the Committees upon the recommendation of the Subcommittee on Senate Bill Nos. 197, 496, 541, 1183, 1951 and 2099

Recommending its approval in substitution of Senate Bill Nos. 197, 496, 541, 1183, 1951 and 2099

Sponsor: **Senator Ralph G. Recto**

MR. PRESIDENT:

The Committees on Trade, Commerce and Entrepreneurship; Health and Demography; and Finance, to which were referred **Senate Bill No. 197**, introduced by Senator Emmanuel "Manny" D. Pacquiao, *entitled*:

**"AN ACT
BANNING THE USE OF CIGARETTES, ELECTRONIC CIGARETTES OR VAPES,
AND SIMILAR TOBACCO PRODUCTS IN ALL PUBLIC AND ENCLOSED
SPACES"**

Senate Bill No. 496, introduced by Senator Vicente C. Sotto III, *entitled:*

**"AN ACT
REGULATING VAPORIZED NICOTINE PRODUCTS"**

Senate Bill No. 541, introduced by Senator Juan Miguel "Migz" F. Zubiri, *entitled:*

**"AN ACT
REGULATING ELECTRONIC CIGARETTES"**

Senate Bill No. 1183, introduced by Senator Francis "Tol" N. Tolentino, *entitled:*

**"AN ACT
PROHIBITING THE USE, SALE, MANUFACTURE, DISTRIBUTION, TRADE,
IMPORTATION, AND MARKETING OF ELECTRONIC NICOTINE OR
ELECTRONIC NON-NICOTINE DELIVERY SYSTEMS (ENDS/ENND) IN THE
PHILIPPINES, APPLYING THE PRECAUTIONARY PRINCIPLE, AND FOR
OTHER PURPOSES"**

Senate Bill No. 1951, introduced by Senator Ralph G. Recto, *entitled:*

**"AN ACT
REGULATING THE IMPORTATION, MANUFACTURE, SALE, PACKAGING,
DISTRIBUTION, USE, AND COMMUNICATION OF VAPOR PRODUCTS AND
HEATED TOBACCO PRODUCTS"**

and **Senate Bill No. 2099**, introduced by Senator Pia S. Cayetano, *entitled:*

**"AN ACT
REGULATING THE MANUFACTURE, IMPORTATION, SALE, DISTRIBUTION,
USE, ADVERTISEMENT, PROMOTION, AND SPONSORSHIP OF ELECTRONIC
NICOTINE DELIVERY SYSTEMS AND ELECTRONIC NON-NICOTINE**

**DELIVERY SYSTEMS (ENDS/ENNDS), HEATED TOBACCO PRODUCTS
(HTPS), AND OTHER IMITATION TOBACCO PRODUCTS"**

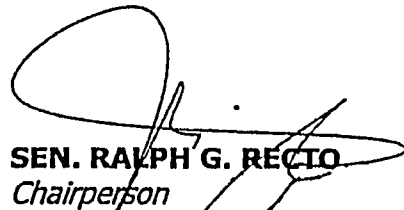
have considered the same and have the honor to report them back to the Senate with the recommendation that the attached **Senate Bill No. 2239** prepared by the Committees, entitled:

**"AN ACT
REGULATING THE IMPORTATION, MANUFACTURE, SALE, PACKAGING,
DISTRIBUTION, USE, AND COMMUNICATION OF VAPOR PRODUCTS AND
HEATED TOBACCO PRODUCTS"**

be approved in substitution of Senate Bill Nos. 197, 496, 541, 1183, 1951 and 2099, with Senators Pacquiao, Sotto III, Zubiri, Tolentino, Recto, and Cayetano, as authors thereof.

Respectfully submitted:

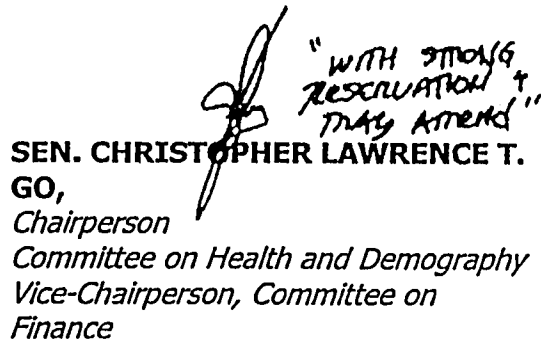
"May interpellate and/or propose amendments"



SEN. RALPH G. RECTO
Chairperson
Subcommittee on Senate Bill Nos. 197,
496, 541, 1183, 1951 and 2099



SEN. AQUILINO "KOKO" PIMENTEL III
Chairperson
Committee on Trade, Commerce and
Entrepreneurship
Member, Committee on Health and
Demography
Member, Committee on Finance

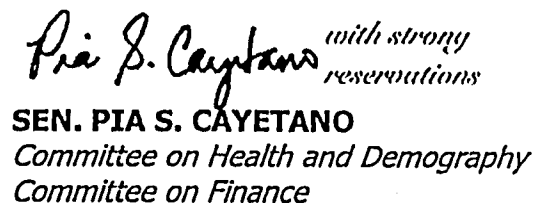


SEN. CHRISTOPHER LAWRENCE T. GO,
Chairperson
Committee on Health and Demography
Vice-Chairperson, Committee on
Finance



SEN. SONNY ANGARA
Chairperson
Committee on Finance
Member, Committee on Trade, Commerce
and Entrepreneurship

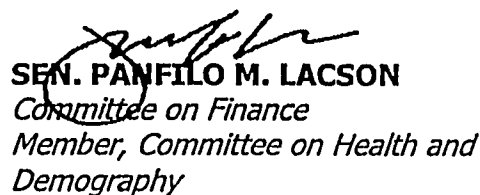
Vice-Chairpersons:



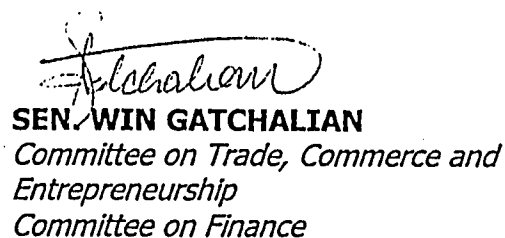
SEN. PIA S. CAYETANO
Committee on Health and Demography
Committee on Finance



SEN. GRACE POE
Committee on Finance
Committee on Trade, Commerce and
Entrepreneurship

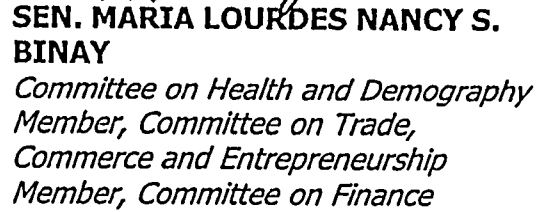


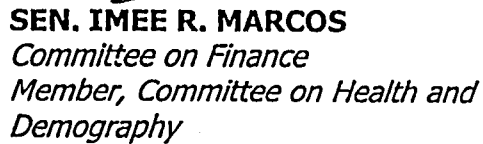
SEN. PANFILO M. LACSON
Committee on Finance
Member, Committee on Health and
Demography

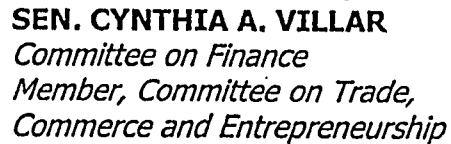


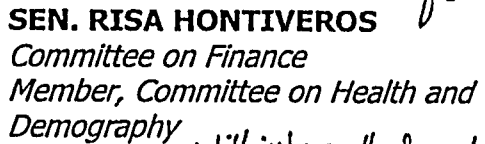
SEN. WIN GATCHALIAN
Committee on Trade, Commerce and
Entrepreneurship
Committee on Finance

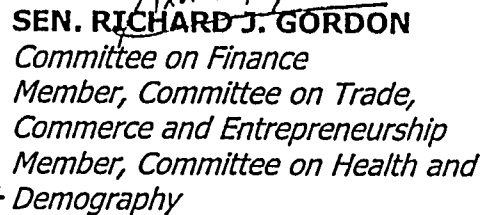

SEN. JOEL VILLANUEVA
Committee on Finance


SEN. MARIA LOURDES NANCY S. BINAY
Committee on Health and Demography
Member, Committee on Trade, Commerce and Entrepreneurship
Member, Committee on Finance


SEN. IMEE R. MARCOS
Committee on Finance
Member, Committee on Health and Demography

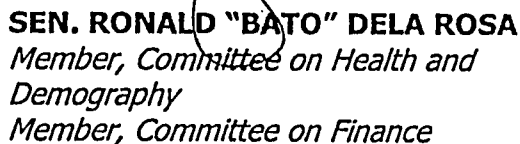

SEN. CYNTHIA A. VILLAR
Committee on Finance
Member, Committee on Trade, Commerce and Entrepreneurship

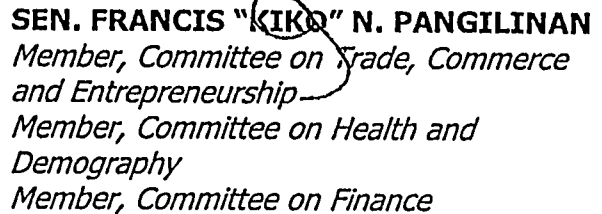

SEN. RISA HONTIVEROS
Committee on Finance
Member, Committee on Health and Demography

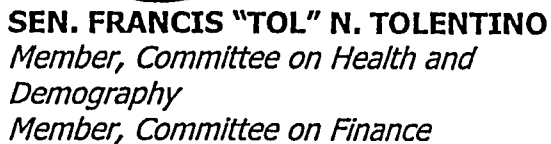

SEN. RICHARD J. GORDON
Committee on Finance
Member, Committee on Trade, Commerce and Entrepreneurship
Member, Committee on Health and Demography

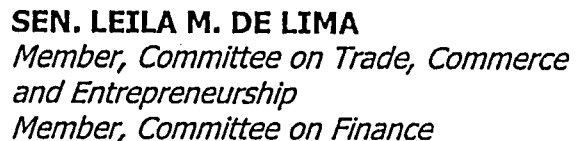
Will interpellate, & propose amendments

Members:


SEN. RONALD "BATO" DELA ROSA
Member, Committee on Health and Demography
Member, Committee on Finance


SEN. FRANCIS "KIKO" N. PANGILINAN
Member, Committee on Trade, Commerce and Entrepreneurship
Member, Committee on Health and Demography
Member, Committee on Finance


SEN. FRANCIS "TOL" N. TOLENTINO
Member, Committee on Health and Demography
Member, Committee on Finance


SEN. LEILA M. DE LIMA
Member, Committee on Trade, Commerce and Entrepreneurship
Member, Committee on Finance



SEN. MANUEL "LITO" M. LAPID
Member, Committee on Finance



SEN. EMMANUEL "MANNY" D. PACQUIAO
Member, Committee on Finance



SEN. RAMON BONG REVILLA JR.
Member, Committee on Finance

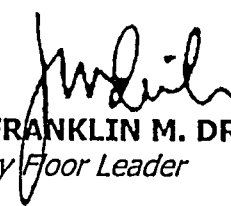
Ex-Officio Members:



SEN. RALPH G. RECTO
President Pro-Tempore



SEN. JUAN MIGUEL F. ZUBIRI
Majority Floor Leader



SEN. FRANKLIN M. DRILON
Minority Floor Leader

HON. VICENTE SOTTO III
Senate President
Senate of the Philippines
Pasay City

FOR THE COMMITTEE REPORT ON THE ACT
REGULATING THE IMPORTATION, MANUFACTURE, SALE, PACKAGING,
DISTRIBUTION, USE, AND COMMUNICATION OF VAPOR PRODUCTS AND
HEATED TOBACCO PRODUCTS

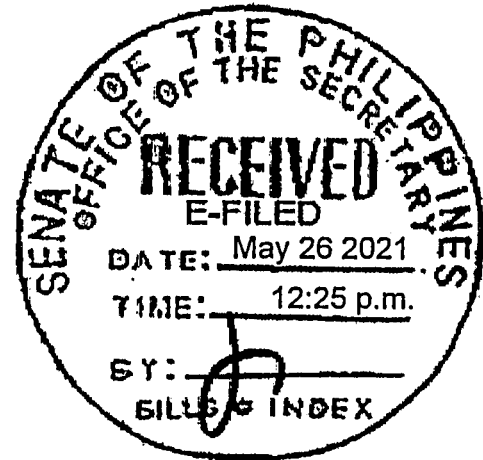
Leila de Lima
LEILA M. DE LIMA

*Subject to
interpellation and
amendments.*

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

SENATE

S. No. 2239



(In Substitution of SB Nos. 197, 496, 541, 1183, 1951 and 2099)

Prepared by the Committee on Trade, Commerce and Entrepreneurship (upon the recommendation of the Subcommittee on Senate Bill Nos. 197, 496, 541, 1183, 1951 and 2099); Health and Demography; and Finance with Senators Pacquiao, Sotto III, Zubiri, Tolentino, Recto, and Cayetano as authors thereof

AN ACT
REGULATING THE IMPORTATION, MANUFACTURE, SALE, PACKAGING,
DISTRIBUTION, USE, AND COMMUNICATION OF VAPOR PRODUCTS AND
HEATED TOBACCO PRODUCTS

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 “Vaporized Nicotine
2 Products Regulation Act”.

3 Sec. 2. *Declaration of Policy.* – It is hereby declared the policy of the State to
4 protect and promote the right to health of the people and instill health consciousness
5 among them.

6 It is further declared the policy of the State to enact a balanced policy whereby
7 these novel consumer products are properly regulated using internationally accepted
8 product standards in order to protect the citizens from the hazards of unregulated and
9 substandard vapor products and heated tobacco products while ensuring that access
10 to these non-combustible alternatives is not curtailed.

11 For this purpose, the government shall regulate, the importation, manufacture,
12 sale, packaging, distribution, use, advertisement, promotion and sponsorship of
13 Vaporized Nicotine Products in order to promote a healthy environment and protect

1 the citizens from any potential hazards of these novel consumer products and reduce
2 the harm caused by smoking.

3 Sec. 3. *Definition of Terms.* – For purposes of this Act, the following terms shall
4 mean:

5 (a) *Advertising* refers to the business of conceptualizing, presenting, making
6 available and communicating to the public, through any form of mass
7 media, any fact, data or information about the attributes, features, quality
8 or availability of consumer products, services or credit. For the purpose of
9 this Act, advertising shall be understood as Vaporized Nicotine Product
10 advertising and shall not include non-promotional communication intended
11 for informational purposes only;

12 (b) *Child-resistant* shall refer to the type of containers that can be opened only
13 by operating, puncturing or removing one of its functional and necessary
14 parts using a tool that is not supplied with the container and comply with
15 the existing standards on child-resistant packaging;

16 (c) *Designated Vaping Area* shall refer to an assigned indoor or outdoor area
17 where the use of Vaporized Nicotine Products shall be allowed;

18 (c) *Distributor* shall refer to any entity to whom Vaporized Nicotine Products is
19 delivered to or sold for purposes of distribution in commerce, except that
20 such term does not include a manufacturer or retailer or common carrier of
21 such product;

22 (e) *Heated Tobacco Products (HTPs), also referred to as Heated Tobacco*
23 *Product Consumables* or *Heat-Not-Burn-Product Consumables*, shall refer
24 to tobacco products that are intended to be consumed through heating
25 tobacco, either electronically or through other means sufficient to release
26 an aerosol that can be inhaled, without combustion of the tobacco. Heated
27 Tobacco Product Consumables or Heat-Not-Burn Product Consumables may
28 also include liquid solutions and gels that are part of the product and are
29 heated to generate an aerosol. HTPs may or may not operate by means of
30 a Heated Tobacco Product Device;

31 (f) *Heated Tobacco Product Device* or *HTP Device* shall refer to the component
32 or combination of components of a Heated Tobacco Product System

1 intended to be used in combination with HTP Consumables that generate
2 an aerosol without combustion;

3 (g) *Heated Tobacco Product System* or *HTP System* shall refer to a HTP
4 Consumable and HTP Device that are intended to be used together as a
5 system;

6 (h) *Heating* shall refer to the act of using the Heated Tobacco Product System;

7 (i) *Ingredient* means any substance that is used to make the Vapor Product
8 Refills or Heated Tobacco Product Consumables that is present in the
9 finished product;

10 (j) *Manufacturer* shall refer to an establishment engaged in any and all
11 operations involved in the production of Vapor Products or Heated Tobacco
12 Products including preparatory processing, compounding, formulating,
13 filling, refilling, packaging, repackaging, altering, ornamenting, finishing
14 and labeling for the purpose of its storage, sale or distribution;

15 (k) *Nicotine* shall refer to nicotinic alkaloids, including any salt or complex of
16 nicotine whether derived from tobacco or synthetically produced;

17 (l) *Nicotine Mixture* shall refer to the nicotine-containing liquid, solid or other
18 non-tobacco substance in the product;

19 (m) *Nicotine Shots* refer to nicotine in liquid or any other form/substances
20 that is added to or mixed with vapor product refills or cartridges that has
21 the effect of increasing the dosage or nicotine concentration in a refill or
22 cartridge;

23 (n) *Package* shall refer to packs, boxes, cartons, or containers of any kind in
24 which Vapor Products or HTPs are contained when offered for sale to
25 consumers;

26 (o) *Principal display surface* shall refer to the panel of the package that faces
27 the consumer when displayed for sale;

28 (p) *Point of Sale* shall refer to any location, physical or online, where an
29 individual can purchase or obtain Vaporized Nicotine Products, which may
30 include a product testing area;

31 (q) *Product Statement* shall refer to a communication to consumers in the
32 product label or marketing which pertains to product performance

1 attributes or an objective description of the contents of the product, or how
2 a product works or operates, as well as any and all statements relating to
3 the product;

4 (r) *Product Demonstration*, shall refer to the testing of a Vaporized Nicotine
5 Product conducted by a trained product expert who shall explain the
6 characteristics, operation and maintenance of the product for the purpose
7 of informing and familiarizing a prospective buyer, who is of legal age for
8 the purpose of this Act;

9 (s) *Promotion* shall refer to an event or activity organized by or on behalf of a
10 Vaporized Nicotine Products manufacturer, importer, distributor, or retailer
11 with the aim of promoting a brand of a Vaporized Nicotine Product, which
12 event or activity would not occur if not for the support given to it by or on
13 behalf of the Vaporized Nicotine Product manufacturer, importer,
14 distributor, or retailer. This includes the paid use of Vaporized Nicotine
15 Product bearing the brand names, trademarks, logos, and the like by
16 performers in movies, television and other forms of entertainment. For the
17 purpose of this Act, promotion shall be understood as Vaporized Nicotine
18 Product promotion;

19 (t) *Promotional* shall refer to the act of publicizing a product to the general
20 public for the sole purpose of increasing sales;

21 (u) *Refill* shall refer to a container for holding e-liquid or nicotine mixture;

22 (v) *Retailer* shall refer to any establishment which sells or offers to sell any
23 Vaporized Nicotine Product directly to the general public;

24 (w) *Sponsorship* shall refer to any public or private contribution, whether in
25 cash or in kind, from a third party in relation to an event, team, or activity
26 made with the aim of promoting a brand of Vaporized Nicotine Products,
27 which event, team or activity would still exist or occur without such
28 contribution. For the purpose of this Act, sponsorship shall be understood
29 as Vaporized Nicotine Products sponsorship;

30 (x) *Tamper-resistant* shall refer to the type of packages constructed such that
31 it has one or more indicators or barriers to entry which, if breached or
32 missing, can reasonably be expected to provide visible evidence that the

1 product or its packaging has been opened, or otherwise comply with
2 standards on tamper-resistant packaging;

3 (y) *Vapor Products*, also referred to as *Vapor Products Refills*, shall refer to the
4 liquid, solid, gel or combination, which may or may not contain nicotine,
5 that is transformed into an aerosol without combustion by a Vapor Product
6 Device;

7 (z) *Vapor Product Device* shall refer to a device or a combination of devices
8 used to heat a Vapor Product, to produce an aerosol, mist, or vapor that
9 users inhale. These may include combinations of a liquid solution or gel,
10 that are heated and transformed into an aerosol without combustion
11 through the employment of a mechanical or electronic heating element,
12 battery, or circuit, and includes, but is not limited to a cartridge, a tank, or
13 a device without a cartridge or tank;

14 (aa) *Vapor Product System* shall refer to the specific combination consisting
15 of the Vapor Product Refill and Vapor Product Device which, based on the
16 information made available to the consumer by the provider, are intended
17 to be used together; and

18 (bb) *Vaporized Nicotine Product* shall refer to the category of products used
19 in both HTP System and Vapor Product System, as defined herein, which
20 are novel consumer goods that generate a nicotine-containing or non-
21 nicotine containing aerosol without combustion.

22 Sec. 4. *Packaging and Health Warnings*. – All manufacturers, importers, and
23 distributors duly authorized to sell Vapor Product Refills and HTP Consumables shall
24 comply with the following packaging requirements:

25 (a) The unit packaging or any outside consumer packaging of Vapor Product
26 Refills or HTP Consumables shall bear the following health warnings:

27 i. A differentiated, highly visible, full-color graphic health warning
28 prescribed under Republic Act No. 10643 or the Graphic Health
29 Warnings Law which shall be printed on fifty percent (50%) of
30 the principal display surfaces of the Vaporized Nicotine Products
31 and shall occupy fifty percent (50%) of the front and fifty percent
32 (50%) of the back panel of the packaging;

1 ii. A textual health warning which states: "*This product is harmful*
2 *and contains nicotine which is a highly addictive substance. It is*
3 *not recommended for use by non-smokers.*".
4 The textual warning shall use no more than twenty percent (20%)
5 of the entire area of the graphic health warning and shall appear
6 in clearly legible type and in contrast by typography, layout and
7 color, without the use of any border, frame or any other design
8 that will effectively lessen the size of the textual warning.
9 The content, format, and specifications of the health warnings shall be
10 designated by the DOH;
11 (b) Nothing shall be printed or applied on a location where it is likely to obscure
12 or cover, in part or in whole, the health warning;
13 (c) No part of the warning may be obliterated, obscured, folded, severed or
14 become unreadable when the package is opened or closed or when a
15 wrapper on the package is removed; and
16 (d) The internal revenue fiscal marking requirements under Republic Act No.
17 8424 or the National Internal Revenue Code, as amended, and other related
18 regulations, whenever applicable, shall be complied with.
19 Sec. 5. *Tamper-resistant and Child-resistant Design.* – The receptacles of Vapor
20 Product Refills shall be child-resistant, tamper-resistant, and shall be protected against
21 breakage and leakage.
22 Sec. 6. *Minimum Age Sales and Purchase.* – The minimum allowable age for
23 the purchase, sale and use of Vaporized Nicotine Products shall be eighteen (18) years
24 old.
25 It shall not be a defense for the person selling or distributing that he/she did
26 not know or was not aware of the real age of the purchaser. Neither shall it be a
27 defense that he/she did not know nor had any reason to believe that the product was
28 for the consumption of a person below eighteen (18) years of age.
29 Sec. 7. *Proof-of-Age Verification.* – Retailers shall ensure that no individual
30 below eighteen (18) years of age is allowed to purchase Vaporized Nicotine Products.
31 It shall be the responsibility of retailers to verify the age of buyers. For this purpose,
32 the presentation of any valid identification card exhibiting the buyer's photograph and

1 age or date of birth may be required. Retailers shall ensure direct delivery only to the
2 buyer who must be eighteen (18) years old and above.

3 Sec. 8. *Online Trade.* – The sale or distribution of Vaporized Nicotine Products
4 through internet websites or via e-commerce and/or other similar media platforms,
5 shall be allowed: *Provided,* That the manufacturer, seller or distributor shall adopt
6 measures to ensure that persons below eighteen (18) years of age are denied access
7 thereto and that the internet website shall bear the signages required under this Act.

8 In compliance with the aforementioned age restriction, and when seeking
9 access to such media platform, the person's legal age shall be self-declared in the
10 opening first page of the website.

11 *Provided, further,* That the sale or distribution of Vaporized Nicotine Products
12 through internet websites or via e-commerce and/or other similar media platforms
13 shall only be made by online sellers or distributors registered with the Department of
14 Trade and Industry (DTI) or the Securities and Exchange Commission (SEC), and the
15 products being sold and advertised online shall be compliant with the health warning
16 requirements indicated herein, as well as the Bureau of Internal Revenue (BIR)-
17 prescribed tax stamp or other fiscal marks.

18 Sec. 9. *Sales within School Perimeters.* – The sale or distribution of Vaporized
19 Nicotine Products within one hundred (100) meters from any point of the perimeter
20 of a school, playground or other facility frequented particularly by minors shall be
21 prohibited.

22 Sec. 10. *Point-of-Sale Signage.* – Point-of-sale establishments offering, selling,
23 or distributing Vaporized Nicotine Products shall post the following statement in a clear
24 and conspicuous manner: "*THE SALE OR DISTRIBUTION OF VAPOR PRODUCTS OR*
25 *HEATED TOBACCO PRODUCTS TO OR BY PERSONS BELOW EIGHTEEN (18) YEARS*
26 *OF AGE IS ILLEGAL*" or "*BAWAL MAGBENTA NG VAPORIZED NICOTINE PRODUCTS*
27 *SA MGA TAONG WALA PANG LABINGWALONG (18) TAONG GULANG.*".

28 Sec. 11. *Product Communication Restrictions.* – Advertisements and other
29 forms of consumer communication shall be allowed in points-of-sale or retail
30 establishments, through direct marketing, and on the internet: *Provided,* That the
31 following guidelines shall apply:

- 1 (a) These shall not be targeted to or particularly appeal to persons under
2 eighteen (18) years of age;
- 3 (b) These and other forms of consumer communication of Vaporized Nicotine
4 Products shall not feature a celebrity or social media influencer or contain
5 an endorsement, implied or express, by a celebrity or social media
6 influencer. Individual or team athletes, artists, performers, influencers, and
7 health professionals are likewise prohibited from receiving remuneration, in
8 whatever form, for promoting or encouraging the use of Vaporized Nicotine
9 Products;
- 10 (c) These should not undermine quit-smoking messages and should not
11 encourage non-tobacco or non-nicotine users to use Vaporized Nicotine
12 Products;
- 13 (d) These shall not contain any information that is false or not scientifically
14 substantiated, particularly with regard to product characteristics, health
15 effects, risks or emissions;
- 16 (e) Product testing and/or demonstration shall be allowed in locations licensed
17 to sell Vaporized Nicotine Products;
- 18 (f) These restrictions apply to commercial communications only and shall not
19 prevent a company from providing information regarding its company, its
20 products and other non-promotional information on Vaporized Nicotine
21 Products; and
- 22 (g) No Vaporized Nicotine Product advertisements may be placed on objects or
23 places outside points of sale such as but not limited to vehicles of any kind,
24 billboards, posters, streamers.

25 *Sec. 12. Restrictions on Vaporized Nicotine Product Promotional Activities. –*
26 The following restrictions shall apply to any promotional activity related to Vaporized
27 Nicotine Products:

- 28 (a) Promotional events and activities, such as, but not limited to, product
29 sampling or product offers, must be directed only to persons at least
30 eighteen (18) years of age. No person below eighteen (18) years of age
31 shall participate in such promotions. The participants in such promotions
32 shall be required to provide proof of age;

- 1 (b) Communications to consumers about promotional events for Vaporized
2 Nicotine Products shall comply with the provisions of this Act governing
3 Vaporized Nicotine Products advertising. In addition to the required
4 health warning, the age requirement for participation in any promotional
5 activity must be clearly marked on the program materials distributed to
6 consumers;
- 7 (c) All stalls, booths, and other displays concerning Vaporized Nicotine
8 Product promotions must be limited to point-of-sale locations or adult-
9 only facilities;
- 10 (d) Telecommunications concerning promotional offers, programs or events
11 must include a recorded health warning message in English or Filipino
12 consistent with the warnings specified in this Act;
- 13 (e) No product promotional placement or advertisement shall be made by
14 any manufacturer, distributor, or retailer of any Vaporized Nicotine
15 Product package, including use of the product, in any manner, in a video
16 game or in any television program or motion picture authorized by
17 regulatory agencies concerned for viewing by the general public;
- 18 (f) No promotional merchandise such as, but not limited to, t-shirts, caps,
19 sweatshirts, visors, backpacks, sunglasses, writing implements and
20 umbrellas, may be distributed, sold or offered, directly or indirectly, with
21 the name, logo or other indicia of a Vaporized Nicotine Product brand
22 displayed so as to be visible to others when worn or used;
- 23 (g) No name, logo, or other indicia of a Vaporized Nicotine Product brand,
24 may appear on promotional merchandise or element of a brand-related
25 marketing activity that is marketed to or likely to be used by minors such
26 as, but not limited to, sports equipment, toys, dolls, video games, and
27 food. The manufacturer or company must take all available measures to
28 prevent third parties from using the company's brand names, logos, or
29 other proprietary symbol on products that are directed toward minors;
30 and
- 31 (h) No Vaporized Nicotine Product advertisements may be placed on
32 shopping bags.

1 Sec. 13. *Restrictions on Sponsorship.* – The following restrictions shall apply on
2 all Vaporized Nicotine Product promotional sponsorships:

3 (a) Sponsorships shall be limited to industry associations or trade events, where
4 only persons at least eighteen (18) years of age shall be allowed to
5 participate. No person below eighteen (18) years of age may participate in
6 such a sponsored event. The participants in the sponsored event shall be
7 required to provide proof of age;

8 (b) Communications to consumers about Vaporized Nicotine Product sponsored
9 events shall comply with the provisions of this Act governing Vaporized
10 Nicotine Product advertising. In addition to the mandatory health warning,
11 the age requirement for participation in any sponsored events must be
12 clearly marked on the program materials distributed to consumers;

13 (c) All display materials concerning Vaporized Nicotine Product sponsored
14 events must be limited to point-of-sale locations or adult-only facilities;

15 (d) Telecommunications concerning sponsored events must include a recorded
16 health warning message in English or Filipino consistent with the warnings
17 specified in this Act; and

18 (e) No merchandise such as, but not limited to, t-shirts, caps, sweatshirts,
19 visors, backpacks, sunglasses, writing implements and umbrellas, may be
20 distributed, sold or offered, directly or indirectly during the sponsored event,
21 with the name, logo or other indicia of a Vaporized Nicotine Product brand
22 displayed so as to be visible to other when worn or used.

23 Sec. 14. *Use in Public Place.* – The use of Vaporized Nicotine Products shall be
24 allowed in public places except that indoor use is prohibited in schools, hospitals,
25 government offices, and facilities intended particularly for minors. In other indoor
26 places open to the general public, the use of Vaporized Nicotine Products shall not be
27 allowed except in designated vaping areas or in point-of-sale establishments for
28 purposes of conducting product demonstrations.

29 Sec. 15. *Standards for Designated Vaping Areas.* – Designated Vaping Areas
30 (DVAs) shall comply with the following standards:

31 (a) Persons below eighteen (18) years of age shall not be allowed within the
32 DVA;

- 1 (b) Every DVA shall have the following signages highly visible and prominently
2 displayed:
3 i. "Vaping Area" signage; and
4 ii. Prohibition on entry of persons below eighteen (18) years of age.
5 (c) Smoking shall not be allowed in DVAs;
6 (d) The number of persons allowed inside shall be controlled by the
7 establishment owner taking into consideration the size of the DVA and its
8 location;
9 (e) The DVA shall be in an open space in an outdoor area, or in a separate
10 indoor area with proper ventilation;
11 (f) If the DVA is located indoors, there shall be no opening that will allow air
12 to escape from the DVA to the smoke/vape-free area of the building or
13 conveyance, except for a single door equipped with an automatic door
14 closer;
15 (g) The DVA and its ventilation outlets shall not be located in or within ten (10)
16 meters from entrances, exits or any place where people pass or congregate,
17 or in front of air intake ducts;
18 (h) The combined area of the DVA and the buffer zone shall not be larger than
19 twenty percent (20%) of the total floor area of the building or conveyance;
20 *Provided, That* in no case shall such area be less than ten (10) square
21 meters;
22 (i) No building or conveyance shall have more than one (1) DVA;
23 (j) The ventilation system for the DVA, other than in open space and for the
24 buffer zone, shall be independent of all ventilation systems for the rest of
25 the building or conveyance; and
26 (k) Minors shall not be allowed inside the DVA and the buffer zone.

27 *Sec. 16. Product Notification and Registration.* – Three (3) months prior to
28 placing Vaporized Nicotine Products in the market, all manufacturers and importers
29 must notify the Department of Trade and Industry (DTI) and submit information
30 demonstrating compliance with product standards and assessment requirements in
31 accordance with this Act. Products that are already in-market shall be given eighteen
32 (18) months to register their products with the DTI and submit information

1 demonstrating compliance with product standards and assessment requirements
2 consistent with the product standards set by the DTI.

3 No Vaporized Nicotine Product shall be sold to the general public unless it
4 complies with the product standards set by the DTI.

5 *Sec. 17. Product Standard Requirements for Vaporized Nicotine Product Refills,*
6 *Devices and Systems.* – The DTI shall set technical standards for safety, consistency
7 and quality of Vaporized Nicotine Product Refills, Devices and Systems in line with
8 international practice for Vapor Products and Heated Tobacco Products.

9 *Sec. 18. Restriction on the Retail and Sale of Nicotine Shots.* – The retail or use
10 of nicotine shots and/or concentrates shall be strictly prohibited.

11 *Sec. 19. Jurisdiction.* – The DTI shall have exclusive jurisdiction over any and
12 all issues, requirements, statements and subject matters related to Vaporized Nicotine
13 Products which are provided for in this Act.

14 *Sec. 20. Floor Price.* – The BIR is mandated to issue a revenue regulation
15 prescribing the floor price or the minimum price of Vaporized Nicotine Products taking
16 into account the sum of their excise tax, value added tax, and a reasonable production
17 cost.

18 *Sec. 21. Penalties for Noncompliance.* – The following penalties shall apply:

19 (a) For violation of Sections 14 and 15:

- 20 i. On the first offense, a fine of not less than One Thousand
21 (Php1,000.00) but not more than Two Thousand (Php2,000.00) shall
22 be imposed;
- 23 ii. On the second offense, a fine of not less than Two Thousand Pesos
24 (Php2,000.00) but not more than Ten Thousand (Php10,000.00)
25 shall be imposed;
- 26 iii. On the third offense, a fine of not less than Ten Thousand Pesos
27 (P10,000.00) but not more than Twenty Thousand pesos
28 (Php20,000.00): *Provided*, That the business permits and licenses, in
29 the case of a business entity or establishment shall be revoked or
30 cancelled.

31 (b) For violation of Sections 6, 7, 8, 9, 10, and 18:

- 1 i. On the first offense, any person or any business entity or
2 establishment selling to, distributing or purchasing Vaporized
3 Nicotine Products for a minor shall be fined the amount of not less
4 than Ten thousand pesos (Php10,000.00) or an imprisonment of not
5 more than thirty (30) days, upon the discretion of the court. For
6 succeeding offenses, both penalties shall apply in addition to the
7 revocation of business licenses or permits in the case of a business
8 entity or establishment.
- 9 ii. If the violation is by an establishment of business entity, the owner,
10 president, manager, or the most senior officers thereof shall be held
11 liable for the offense.
- 12 iii. If a minor is caught selling, buying or using any Vaporized Nicotine
13 Product, the DOH and the Department of Social Welfare and
14 Development (DSWD) shall implement appropriate intervention
15 programs, including but not limited to, counselling of the minor and
16 the minor's parent/guardian.
- 17 (c) For violation of Sections 11, 12 and 13:
- 18 i. On the first offense, a fine of not more than One Hundred Thousand
19 Pesos (P100,000.00);
- 20 ii. On the second offense, a fine of not more than Two Hundred
21 Thousand Pesos (P200,000.00);
- 22 iii. On the third offense, a fine of not more than Four Hundred Thousand
23 Pesos (P400,000.00); or imprisonment of not more than three (3)
24 years, or both, at the discretion of the court: *Provided*, That the
25 business permits and licenses, in the case of a business entity or
26 establishment shall be revoked or cancelled.
- 27 (d) Violation of Sections 4 and 5 of this Act shall be penalized in accordance to
28 Section 14 of Republic Act No. 10643 otherwise known as "the Graphic
29 Health Warnings Law".
- 30 Online sellers and distributors of Vaporized Nicotine Products and online
31 platforms that are non-compliant with Section 8 of this Act shall be ordered by the
32 DTI to immediately suspend trading of such products, and shall be liable for the fines

1 and penalties imposed under this Section. Suspension shall continue until the
2 manufacturer, seller, distributor or online platform has complied with the requirements
3 provided under Section 8 of this Act.

4 If the guilty officer is a foreign national, the officer shall be deported after
5 service of sentence and/or payment of applicable fines without need of further
6 deportation proceedings and shall be permanently barred from re-entering the
7 Philippines.

8 *Sec. 22. Congressional Oversight Committee on Vaporized Nicotine Products. –*

9 A Congressional Oversight Committee on Vaporized Nicotine Products (COC-VNP) is
10 hereby constituted to monitor and review the implementation of this Act for a period
11 not exceeding three (3) years. The COC-VNP shall be composed of the Chairpersons
12 of the Senate Committees on Health, Trade and Commerce, Agriculture, and Public
13 Information, and the House of Representatives Committees on Trade and Industry,
14 Health, Public Information, and Agriculture, and a Member of the House of
15 Representatives representing the tobacco producing provinces.

16 The Secretariat of the COC-VNP shall be drawn from the existing personnel of
17 the standing committees comprising the Congressional Oversight Committee and its
18 funding requirements shall be charged against the appropriations of both the House
19 of Representatives and Senate of the Philippines.

20 *Sec. 23. Implementing Rules and Regulation. –* Within three (3) months from
21 the date of effectivity of this Act, the DTI shall issue the implementing rules and
22 regulations (IRR) for this Act. The non-issuance of the IRR shall not prevent the
23 implementation of this Act upon its effectivity.

24 *Sec. 24. Appropriations. –* The amount necessary to implement the provisions
25 of this Act shall be charged against the current year's appropriations of the national
26 government agencies concerned. Thereafter, such funds as may be necessary for the
27 continued implementation of this Act shall be included in the budgets of the national
28 government agencies concerned under the annual General Appropriations Act.

29 *Sec. 25. Transitory Provision. –* Existing industries and businesses affected by
30 the implementation of this Act shall be given an eighteen (18) month transitory period
31 from the issuance of the implementing rules and regulations of this Act to comply with
32 the requirements herein.

1 Sec. 26. *Separability Clause.* – If any provision or any part hereof is held invalid
2 or unconstitutional, the remainder of the law or the provisions not otherwise affected
3 shall remain valid and subsisting.

4 Sec. 27. *Repealing Clause.* – All laws, decrees, rules and regulations or parts
5 thereof which may govern any and all issues, requirements, statements and subject
6 matters related to Vaporized Nicotine Products which are provided for in this Act, and
7 those other laws, decrees, rules and regulations or parts thereof which are inconsistent
8 with the provisions of this Act, are hereby repealed, amended or modified accordingly.

9 Sec. 28. *Effectivity.* – This Act shall take effect fifteen (15) days after its
10 publication in the *Official Gazette* or in at least two (2) newspapers of general
11 circulation.

 Approved,