EIGHTEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES Second Regular Session

E-FILED June 03 3021m TIME: 3:00 p.m.

SENATE

S. No. 2285

Introduced by SENATOR RAMON BONG REVILLA, JR.

AN ACT

INSTITUTIONALIZING THE PRACTICE OF EXTENDED PRODUCERS RESPONSIBILITY IN WASTE MANAGEMENT, AMENDING FOR THIS PURPOSE REPUBLIC ACT NO. 9003, OTHERWISE KNOWN AS THE "ECOLOGICAL SOLID WASTE MANAGEMENT ACT OF 2000"

EXPLANATORY NOTE

In March 2019, a dead whale was found on the shores of Compostela Valley. Upon investigation, it was learned that the cause of its death was the ingestion of wastes that spilled into its habitat – inside its stomach was 40 kilograms of plastic. The news shocked the world and was carried by international media as it highlights the global problem of marine pollution caused by improper disposal and inefficient management of garbage.

Dr. Deo Florence Onda, the first Filipino to reach Emden Deep, the third deepest point on Earth, also made a startling discovery during his historic voyage. What he initially thought was jellyfish was actually plastic swimming and surviving the immense pressure at the depths of the ocean.

Such instances illustrate the magnitude of the global problem in wastes, particularly plastics, and its adverse impact into our ecosystems. UNESCO reports that "plastic debris causes the deaths of more than a million seabirds every year, as well as more than 100,000 marine mammals¹." After China and Indonesia, the Philippines

¹ "Facts and figures in marine pollution." <a href="http://www.unesco.org/new/en/natural-sciences/ioc-oceans/focus-areas/rio-20-ocean/blueprint-for-the-future-we-want/marine-pollution/facts-and-figures-on-marine-pollution/acts-and-figures-on-marine-pollution/

ranks as the world's third biggest polluter, with 2.7 million metric tonnes of plastic waste generated each year².

This bill seeks to amend and strengthen the two-decade old law, Republic Act No. 9003 or the "Ecological Solid Waste Management Act of 2000," by introducing the Extended Producers Responsibility (EPR) as a strategy to address waste management. EPR, a relatively new concept which emerged in the 1990s and now recognized around the world, is a policy approach to hasten the transition to sustainable waste management and a circular economy.

Under the EPR, companies shall be mandated to assume responsibility for the treatment and disposal of their consumer products, particularly the packaging wastes they generate. They shall be obliged to recover and manage packaging materials and institute mechanisms towards recycling and reusing them to substantially reduce litter. They shall also be led to adopt more sustainable and environment friendly measures in their production, like shifting to biodegradable packaging or use of multi-use containers.

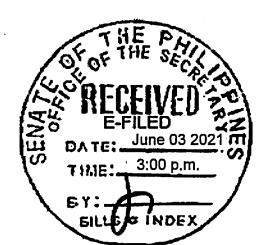
In line with the state policy of protecting and advancing the right of the people to a balanced and healthful ecology in accord with the rhythm and harmony of nature as enshrined in our Constitution, and our commitment to achieving the Sustainable Development Goals, specifically SDG 3: Good Health and Well-being; SDG 6: Ensure Availability and Sustainable Management of Water and Sanitation for All; SDG 12: Responsible Consumption and Production; SDG 14: Conserve and Sustainably Use the Oceans and Marine Resources; and SDG 15 Protect, Restore and Promote Sustainable Use of Terrestrial Ecosystems; among others, the passage of this bill is recommended.

RAMON BONG REVILLA, JR.

² "Why plastic-clogged Philippines must face up to dearth of waste disposal and recycling." July 10, 2020. https://www.eco-business.com/news/why-plastic-clogged-philippines-must-face-up-to-dearth-of-waste-disposal-and-

recycling/#:~:text=After%20China%20and%20Indonesia%2C%20the,plastic%20waste%20generated%20each% 20year.&text=Lao%20said%2070%20per%20cent,to%20leak%20into%20the%20oceans.

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

SECTION 1. *Title.* – This Act shall be known as the "*Extended Producers Responsibility Act of 2020".*

SEC. 2. Section 2 of Republic Act No. 9003 is hereby amended to read as follows:

"SEC. 2. Declaration of Policies. -

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- (i) Institutionalize public participation in the development and implementation of national and local integrated, comprehensive and ecological waste management programs; [and]
- (j) Strengthen the integration of ecological solid waste management and resource conservation and recovery topics into the academic curricula of formal and non-formal education in order to promote environmental awareness and action among the citizenry[-]; AND
- (K) ENSURE THE ORDERLY AND EFFICIENT PRACTICE OF EXTENDED PRODUCERS RESPONSIBILITY BY OBLIGED COMPANIES MANDATED UNDER THIS ACT TO BRING ABOUT SUBSTANTIAL REDUCTION OF WASTES, PARTICULARLY PLASTIC

1	WASTE, THE VOLUME OF WHICH HAVE OVERWHELMING REACHED
2	AN ALARMING LEVEL GLOBALLY."
3	SEC. 3. Section 3 of Republic Act No. 9003 is hereby amended to read as follows:
4	Sec. 3. Definition of Terms. — For the purposes of this Act:
5	xxx
6	"(N) EXTENDED PRODUCER RESPONSIBILITY (EPR)
7	SHALL REFER TO THE ENVIRONMENTAL PRACTICE IN WHICH THE
8	OBLIGED COMPANIES HAVE THE RESPONSIBILITY FOR THE
9	PROPER AND EFFECTIVE DISPOSAL OF THEIR PRODUCTS AFTER
10	THEY HAVE BEEN SOLD AND USED BY CONSUMER WITH THE
11	OBJECTIVE OF REDUCING WASTE GENERATION BY RE-
12	DESIGNING THEIR PACKAGING TO MAKE IT BIODEGRADABLE OR
13	BY IMPROVING RECYCLABILITY OR REUSABILITY OF WASTES,
14	WHICH INCLUDE PLASTIC CONTAINERS OR PACKAGING
15	MATERIALS;
16	[(n)] (O) x x x;
17	[(o)] (P) x x x;
18	[(p)] (Q) ×××;
19	[(q)] (R) ×××
20	[(r)] (S) × × ×;
21	"(T) MULTI-LAYER PLASTIC PACKAGING (INCLUDES
22	MULTI-MATERIAL) SHALL REFER TO ANY MATERIAL USED OR TO
23	BE USED FOR PACKAGING AND HAVING AT LEAST ONE LAYER OF
24	PLASTIC AS THE MAIN INGREDIENTS IN COMBINATION WITH
25	ONE OF MORE LAYERS OF MATERIALS SUCH AS PAPER, PAPER
26	BOARD, POLYMERIC MATERIALS, METALIZED LAYERS OR
27	ALUMINUM FOIL, EITHER IN THE FORM OF A LAMINATE OR CO-
28	EXTRUDED STRUCTURE;
29	[(s)] (U) x x x;
30	"(V) OBLIGED COMPANIES SHALL REFER TO
31	COMPANIES THAT ARE OBLIGED TO TAKE PART AND PAY FOR THE

EPR PROGRAM, INCLUDING, BUT NOT LIMITED, TO PRODUCERS,

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MANUFACTURERS AND IMPORTERS, AND THOSE WHO OFFER ANY PRODUCT OR GOOD FOR CONSUMPTION OR USE, WHETHER FOR SALE OR FOR FREE, OF THE GENERAL PUBLIC;

[(t)] (W) x x x;

;

 $[(u)](X) \times X \times X;$

"(Y) PACKAGING SHALL REFER TO ALL PRODUCTS MADE OF MATERIALS OF ANY NATURE TO BE USED FOR THE CONTAINMENT, PROTECTION, HANDLING, DELIVERY AND PRESENTATION OF GOODS, FROM RAW MATERIALS TO PROCESSED GOODS, FROM THE PRODUCER TO THE USER OR THE CONSUMER. NON-RETURNABLE ITEMS USED FOR THE SAME PURPOSES SHALL ALSO BE CONSIDERED TO CONSTITUTE PACKAGING;

 $\{(v)\}$ (Z) x x x;

- "(AA) PLASTIC SHALL REFER TO A SYNTHETIC MATERIAL MADE FROM A WIDE RANGE OF ORGANIC POLYMERS SUCH AS POLYETHYLENE, PVC, NYLON, ETC., THAT CAN BE MOLDED INTO SHAPE WHILE SOFT, AND THEN SET INTO A RIGID OR SLIGHTLY ELASTIC FORM AND UTILIZED IN A WIDE RANGE OF APPLICATIONS;
- "(BB) PLASTIC BAG SHALL REFER TO A POLYMER BAG DESIGNED TO BE PROVIDED OR UTILIZED AT THE POINT OF SALE FOR CARRYING AND TRANSPORTING GOODS;
- "(CC) PLASTIC NEUTRALITY SHALL REFER TO THE COLLECTION BY A PRODUCER OF THE SAME AMOUNT OF PLASTIC WASTES EQUAL TO THE SAME AMOUNT OF PLASTIC PACKAGING IT SELLS TO THE MARKET. FOR PURPOSES OF THIS ACT, THE PLASTIC WASTES COLLECTED BY A PRODUCER MAY BE OF A DIFFERENT TYPE OR BRAND AS THOSE USED BY THE PRODUCER;
- "(DD) PLASTIC WASTE SHALL REFER TO PLASTIC THAT
 MUST BE RECOVERED BY THE PRODUCER, WHETHER OR NOT THE
 SAME ARE ENVIRONMENTALLY ACCEPTABLE OR NON-

1	ENVIRONMENTALLY ACCEPTABLE PRODUCTS AS DEFINED IN RA
2	9003. FOR PURPOSES OF THIS ACT, PLASTIC WASTE SHALL
3	INCLUDE:
4	(1) SACHETS, LABELS, AND OTHER FLEXIBLE PLASTIC
5	PACKAGING PRODUCTS, IN SINGLE LAYER OR MULTI-LAYER
6	STRUCTURE;
7	(2) RIGID PLASTIC PACKAGING PRODUCTS,
8	INCLUDING BEVERAGE CONTAINERS, CUPS, . BOTTLES, AND
9	FOOD CONTAINERS;
10	(3) PLASTIC BAGS; AND
11	(4) PLASTIC PRODUCTS USED ON ITEMS SOLD BY
12	MANUFACTURERS IN BUSINESS-TO-BUSINESS TRANSACTIONS,
13	OR OTHERWISE NOT INTENDED FOR SALE TO THE GENERAL
14	PUBLIC;
15	"(EE) POST-CONSUMER OR END-OF-LIFE
16	STAGE SHALL REFER TO THE POINT IN TIME WHEN WHAT REMAINS
17	AFTER USE BY THE END USER OF A MATERIAL STREAM IS THE
18	PLASTIC PACKAGING WASTE, INCLUDING USED PLASTIC BAGS.
19	THIS SHALL ALSO INCLUDE PLASTIC PACKAGING WASTES OF
20	PRODUCTS SOLD BUSINESS TO BUSINESS;
21	[(w)] (FF) ×××;
22	"(GG) PRODUCER SHALL REFER TO THE FOLLOWING:
23	(1) BRAND OWNER SHALL REFER TO A PERSON OR A
24	COMPANY WHO SELLS ANY COMMODITY UNDER A BRAND OR
25	LABEL. FOR IMPORTED PRODUCTS, "BRAND OWNER" WILL BE
26	DEEMED THE IMPORTER/DISTRIBUTOR OF THE PRODUCTS;
27	(2) MANUFACTURER SHALL REFER TO PERSONS OR
28	COMPANIES THAT PRODUCE PLASTIC BAGS OF VARIOUS SIZES
29	AND STYLES, SOLD TO THE GENERAL PUBLIC;
30	"(HH) PRODUCER RESPONSIBILITY ORGANIZATION
31	(PRO) SHALL REFER TO A LEGAL ENTITY THAT SHALL
32	UNDERTAKE RESOURCE RECOVERY OF PLASTIC WASTES ON

BEHALF OF PRODUCERS. THE PRO IS FOUNDED VOLUNTARILY BY COMPANIES AND ASSUMES RESPONSIBILITY FOR THE TAKE-BACK OF THE EQUIVALENT AMOUNT OF PLASTIC PACKAGING THEY PUT INTO THE MARKET. THE PRO SHALL CERTIFY THE AMOUNT OF RESOURCE RECOVERY PER PRODUCER AS REQUIRED BY THIS ACT;

[(x)] (II) $\times \times \times$;

 $\frac{(y)}{(JJ)} \times \times \times$;

The succeeding subsections are re-lettered accordingly.

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SEC. 4. Insert a new article after Article 7, Chapter III of R.A. 9003 to read as follows:

"ARTICLE 8

EXTENDED PRODUCERS RESPONSIBILITY

"SEC. 44-A. WHO ARE COVERED BY THE EPR. — OBLIGED COMPANIES AS DEFINED UNDER SEC. 3(U) SHALL BE MANDATED TO EXERCISE EXTENDED PRODUCER RESPONSIBILITY (EPR) OVER THE PACKAGING WASTE USED ON THEIR PRODUCTS THAT ARE SOLD AND DISTRIBUTED WITHIN THE PHILIPPINES, WHETHER IN TRADITIONAL PHYSICAL STORES, DISTRIBUTION OUTLETS OR ONLINE PLATFORM.

"SEC. 44-B. WHAT ARTICLES ARE SUBJECT TO EPR. — THE ARTICLES COVERED BY THE EPR REFER TO THE PACKAGING MATERIALS ONLY OF THE GOODS PRODUCED, IMPORTED, DISTRIBUTED OR SOLD BY OBLIGED COMPANIES AS DEFINED UNDER SEC. 3(U). EPR SHALL NOT INCLUDE THE PRODUCT ITSELF.

"SEC. 44-C. EXTENDED PRODUCERS RESPONSIBILITY. — OBLIGED COMPANIES, AS DEFINED UNDER SECTION 3(U), SHALL ADOPT MECHANISMS AND STRATEGIES FOR THE EFFECTIVE AND PROPER RECOVERY AND MANAGEMENT OF PACKAGING WASTES, GENERATED AFTER THE USE OR CONSUMPTION OF THE

PRODUCTS THAT HAVE BEEN PRODUCED, IMPORTED, DISTRIBUTED, RETAILED OR SOLD, AS THE CASE MAY BE, THROUGH THE INSTITUTION OF A COMPREHENSIVE EPR PROGRAM, WHICH NECESSARILY INCLUDE REUSE AND RECYCLING METHODS THAT WILL RESULT TO THE REDUCTION OF PACKAGING WASTES. PRODUCERS, DISTRIBUTORS AND RETAILERS PERFORMING THEIR RESPECTIVE EPR, AS DETERMINED BY THE DEPARTMENT, SHALL BE ELIGIBLE TO INCENTIVES; PROVIDED THAT THEIR MECHANISMS AND STRATEGIES ARE SUBMITTED TO THE NATIONAL SOLID WASTE EACH OBLIGED COMPANY INSTITUTING AN EPR PROGRAM, MAY DO IT EITHER INDIVIDUALLY OR COLLECTIVELY THROUGH A PRODUCER RESPONSIBILITY ORGANIZATION.

SEC. 44-D. THE PRODUCERS RESPONSIBILITY ORGANIZATION (PRO). — OBLIGED COMPANIES MAY VOLUNTARILY ORGANIZE THEMSELVES TO FORM A PRODUCER RESPONSIBILITY ORGANIZATION (PRO) TO COME UP WITH A VIABLE COLLECTIVE EPR PROGRAM AND HAVE THE SAME IMPLEMENTED.

THE CONSTITUTION OR ORGANIZATIONAL DOCUMENT OF PROS SHALL CONTAIN THE FOLLOWING MINIMUM INFORMATION:

- (i) ORGANIZATIONAL STRUCTURE AND LEADERSHIP;
- (ii) MEMBERSHIP RULES AND QUALIFICATIONS;
 (III) DUTIES AND RESPONSIBILITIES WHICH SHALL INCLUDE:
 - (A) IMPLEMENTATION PARAMETERS OF THE EPR PROGRAM;
- (B) FINANCING MECHANISMS;
- (C) COOPERATION WITH OTHER STAKEHOLDERS,
 SUCH AS, BUT NOT NECESSARILY LIMITED TO,
 DISTRIBUTORS, RETAILERS, GROCERY AND STORE

1	OWNERS, JUNK SHOP OPERATORS, AND
2	INDIVIDUALS IN INFORMAL SECTOR INVOLVED IN
3	WASTE MANAGEMENT;
4	(D) MEMBER LIABILITIES AND PENALTIES; AND
5	(E) RESEARCH AND DEVELOPMENT.
6	SEC. 44-E. <i>EPR PROGRAMS.</i> — OBLIGED COMPANIES DOING
. 7	THEIR OWN EPR OR A PRO, FOR AND ON BEHALF OF A GROUP OF
8	OBLIGED COMPANIES, SHOULD COME UP WITH THEIR
9	RESPECTIVE EPR PROGRAMS, WHICH SHALL INCLUDE THE
10	FOLLOWING ELEMENTS, INFORMATION, AND FEATURES:
11	(I) IN THE CASE OF PRO, IT SHALL INCLUDE THE LIST OF
12	OBLIGED COMPANIES THAT THE PRO REPRESENTS;
13	(II) INVOLVED PACKAGING, AND THE SPECIFIC BRANDS;
14	(III)SCOPE OF FINANCING AND CALCULATION;
15	(IV) COLLECTION SYSTEM AND SPECIFIC COLLECTION
16	TARGETS;
17	(V) SORTING, RECYCLING, AND RECOVERY TARGETS,
18	WHICH MAY BE HARMONIZED WITH THE TARGETS MANDATED
19	UNDER THIS ACT;
20	(VI) DEPENDING ON THE RELEVANCE AND APPLICABILITY
21	TO THE BUSINESS OF THE OBLIGED COMPANIES, THE
22	FOLLOWING ARE POSSIBLE EPR PROGRAMS, ACTIVITIES AND
23	STRATEGIES:
24	(1) PROGRAMS FOR THE REDESIGN OR ADOPTION OF
25	PACKAGING TO IMPROVE RECYCLABILITY OR
26	REUSABILITY OF PLASTIC CONTAINERS AND
27	OTHER PACKAGING MATERIALS OF THEIR
28	PRODUCTS;
29	(2) PROGRAMS FOR THE WITHDRAWAL OR PHASE OUT
30	OF NON-RECYCLABLE PRODUCTS AND PACKAGING
31	MATERIALS AND TO REPLACE THEM WITH
32	EXISTING ALTERNATIVES THAT ARE

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1	ENVIRONMENTALLY SOUND AND ECONOMICALLY
2 .	VIABLE;
3	(3) PROGRAMS FOR THE ADOPTION OF ALTERNATIVE
4	DELIVERY SYSTEMS THAT WILL ALLOW
5	CUSTOMERS TO PURCHASE THEIR PRODUCTS
6	WITH THE USE OF REFILLABLE CONTAINERS OR
7	MULTI-USE PACKS;
8	(4) PROGRAMS INVOLVING THE EFFICIENT
9	RETRIEVAL OF RECYCLABLE OR REUSABLE
10	PLASTIC CONTAINERS AND OTHER PACKAGING
11	MATERIALS OF THEIR PRODUCTS AND THE
12	DESIGNATION OR ESTABLISHMENT OF
13 ,	COLLECTION AND/OR RECYCLING FACILITIES;
14	(5) PROGRAMS, IN COLLABORATION WITH LGUS,
15	COMMUNITIES AND THE INFORMAL SECTORS IN
16	WASTE MANAGEMENT, SUCH AS WASTE PICKERS,
17	INVOLVING THE PROPER AND EFFECTIVE SOLID
18	WASTE MANAGEMENT, INCLUDING THE PROPER
19	SEGREGATION, RETRIEVAL, BUY BACK, RECYCLE,
20	AND REUSE OF PACKAGING MATERIALS;
21	(6) CAMPAIGNS TO ENCOURAGE CONSUMERS TO
22	AVOID USING SINGLE-USE PLASTICS AND TO
23	VOLUNTEER IN BRINGING USED PLASTIC
24	CONTAINERS AND PACKAGING MATERIALS TO
25	IDENTIFIED COLLECTION AND RECYCLING
26	FACILITIES OR MATERIALS RECOVERY
27	FACILITIES; AND
28	(7) PROPER LABELLING OR INCLUSION OF
29	INFORMATION IN THE PACKAGING OF PRODUCTS
30	REGARDING PROPER DISPOSAL OF THE
31	CONTAINERS AND PACKAGING MATERIALS AND
32	IDENTIFICATION OF COLLECTION AND
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1	RECYCLING FACILITIES, OR MATERIALS
2	RECOVERY FACILITIES.
3	(VII) EXTENSIVE COMMUNICATION, INFORMATION, AND
4	EDUCATION CAMPAIGNS
5	(VIII) INVOLVEMENT OF SPECIFIC LGUS AND/OR
6	NATIONAL LGU ORGANIZATIONS, IF APPLICABLE; AND
7	(IX) COOPERATION WITH OTHER STAKEHOLDERS, SUCH
8	AS, BUT NOT NECESSARILY LIMITED TO, DISTRIBUTORS,
9	RETAILERS, GROCERY AND STORE OWNERS, JUNK SHOP
10	OPERATORS, AND INDIVIDUALS IN INFORMAL SECTOR
11	INVOLVED IN WASTE MANAGEMENT.
12	SEC. 44-F. EPR REGISTRATION. — OBLIGED COMPANIES
13	DOING THEIR OWN EPR AND PROS, FOR AND ON BEHALF OF
14	OBLIGED COMPANIES THEY REPRESENT, ARE REQUIRED TO
15	REGISTER THEIR EPR PROGRAMS WITH THE DEPARTMENT,
16	THROUGH THE NSWMC. EACH EPR PROGRAM SUBMITTED FOR
17	REGISTRATION SHALL BE SUBJECT TO THE APPROVAL OF THE
18	NSWMC, WHICH SHALL ALSO BE REQUIRED TO MAINTAIN THE
19	EPR REGISTRY.
20	THE EPR PROGRAMS SUBMITTED BY OBLIGED COMPANIES
21	OR PROS, AS THE CASE MAY BE, SHALL INCLUDE THE FOLLOWING
22	INFORMATION, AT THE MINIMUM:
23	I. OBLIGED COMPANY OR PRO INFORMATION AND
24	CONTACT INFORMATION OF THE PERSON RESPONSIBLE FOR
25	EPR;
26	II. SPECIFIC PACKAGING MATERIALS AND BRANDS
27	COVERED UNDER THE EPR PROGRAM PER OBLIGED COMPANY;
28	III. WHETHER THE EPR PROGRAM IS FOR
29	IMPLEMENTATION BY AN OBLIGED COMPANY INDIVIDUALLY, OR
30	BY OBLIGED COMPANIES COLLECTIVELY, THROUGH A PRO;

IV. ESTIMATED AND VERIFIABLE VOLUME OF THE PACKAGING WASTE ON BRANDS PUT INTO THE MARKET WITHIN A SPECIFIED PERIOD OF TIME:

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V. TARGETED VOLUME OF PACKAGING WASTE FOR RECOVERY, FOR RECYCLING AND FOR REUSE;

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- VI. OTHER EPR PROGRAMS, SUCH AS REDESIGN OF PACKAGING TO IMPROVE RECYCLABILITY OR ALLOW REUSE;
- 8 VII. LABELLING ON PACKAGING MATERIALS TO ENCOURAGE
 9 RECYCLING, REUSE OR PROPER DISPOSAL OF PACKAGING
 10 MATERIALS;
- VIII. STATUS OF IMPLEMENTATION OF THE EPR
 12 MECHANISMS; AND
 - IX. STATUS OF COMPLIANCE AND VIOLATIONS, IF ANY.

FOR THE INITIAL COMPLIANCE WITH THE PROVISIONS UNDER THIS SECTION, OBLIGED COMPANIES AND PROS, ACTING FOR AND ON BEHALF OF OBLIGED COMPANIES, SHALL SUBMIT THEIR RESPECTIVE EPR PROGRAM TO THE DEPARTMENT, THROUGH THE NSWMC, FOR REGISTRATION WITHIN A PERIOD OF NINE (9) MONTHS FROM THE EFFECTIVITY OF THIS ACT. THE NSWMC, IN TURN, IS GIVEN A PERIOD OF THREE (3) MONTHS FROM SUBMISSION TO COMPLETE THE EVALUATION AND APPROVAL OF THE EPR PROGRAM SUBMITTED.

THE DEPARTMENT, THROUGH THE ENVIRONMENTAL MANAGEMENT BUREAU, AND IN COORDINATION WITH THE NSWMC, SHALL BE MANDATED TO MONITOR THE COMPLIANCE OF OBLIGED COMPANIES AND PROS WITH THEIR RESPECTIVE EPR PROGRAMS REGISTERED WITH THE NSWMC AND THE TARGETS ON RECOVERY AND RECYCLING INDICATED UNDER THE EPR PROVISIONS OF THIS ACT. FOR THIS PURPOSE, OBLIGED COMPANIES AND PROS SHALL BE REQUIRED TO SUBMIT ANNUAL COMPLIANCE REPORTS.

SEC. 44-G. COMPLIANCE PERIOD ON RECOVERY AND RECYCLING OF PACKAGING MATERIALS BY OBLIGED COMPANIES OR PROS. — TO GIVE THE OBLIGED COMPANIES AND THE PROS SUFFICIENT PERIOD TO ADJUST TO THEIR EPR DUTIES AND RESPONSIBILITIES AND IMPROVE THEIR PERFORMANCE OVER TIME, THE FOLLOWING TARGETS ARE HEREBY SET:

- (A) WITHIN ONE (1) YEAR FROM THE INITIAL APPROVAL OF EPR PROGRAM, EVERY OBLIGED COMPANY, ON ITS OWN OR THROUGH A PRO, SHALL RECOVER AND RECYCLE NO LESS THAN THIRTY PERCENT (30%) OF THE VOLUME OF THE PACKAGING WASTE GENERATED FOR THE PRODUCTS SOLD OR DISTRIBUTED FOR THE IMMEDIATELY PRECEDING YEAR;
- (B) ON THE SECOND YEAR, THE TARGET RECOVERY AND RECYCLING SHALL BE NO LESS THAN FORTY PERCENT (40%) OF THE ACTUAL VOLUME OF THE PACKAGING WASTE IT HAS GENERATED FOR THE PRODUCTS SOLD OR DISTRIBUTED FOR THE IMMEDIATELY PRECEDING YEAR;
- (c) ON THE THIRD YEAR, THE TARGET RECOVERY AND RECYCLING SHALL BE NO LESS THAN SIXTY PERCENT (60%) OF THE VOLUME OF THE PACKAGING WASTE IT HAS GENERATED FOR THE PRODUCTS SOLD OR DISTRIBUTED FOR THE IMMEDIATELY PRECEDING YEAR;
- (D) ON THE FOURTH YEAR, THE TARGET RECOVERY AND RECYCLING SHALL BE NO LESS THAN SEVENTY PERCENT (70%) OF THE ACTUAL VOLUME OF THE PACKAGING WASTE IT HAS GENERATED FOR THE PRODUCTS SOLD OR DISTRIBUTED FOR THE IMMEDIATELY PRECEDING YEAR; AND
- (E) ON THE FIFTH YEAR AND FOR THE SUCCEEDING YEARS THEREAFTER, THE TARGET RECOVERY AND RECYCLING SHALL BE NO LESS THAN EIGHTY PERCENT (80%) OF THE ACTUAL VOLUME OF THE PACKAGING WASTE IT HAS GENERATED FOR THE

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PRODUCTS SOLD OR DISTRIBUTED FOR THE IMMEDIATELY PRECEDING YEAR."

SEC. 5. *Role of the Government and Local Government Units (LGUs) in the EPR Programs.* – The Environmental Management Bureau (EMB) shall be responsible for the accreditation and qualification of PROs under this Act. For this purpose, the EMB shall publish the guidelines for the establishment and operation of a PRO within sixty (60) days from the effectivity of this Act.

The EMB shall monitor and validate compliance with the provisions of this Act by PROs, and producers. All violations of this Act, including non-achievement of the targets shall be reported to the DENR, which will, after due notice and hearing, impose the applicable penalties for violation thereof.

The DENR shall publish a list of all plastic recyclers, energy converters and coprocessors in the Philippines, to support the operation of PROs. All of such establishments shall prioritize the use of plastic waste in their operations over all other materials.

All incentives available to waste diversion and resource recovery enterprises under RA 9003 shall be extended to PROs. To ensure that the increasing plastic wastes collected under the EPR program under this Act will be properly disposed of, the NSWMC shall within six (6) months from the effectivity of this Act, submit to Congress a report on how to accelerate the growth of the resource recovery infrastructure of the country.

The report shall be made with the active participation of DTI, DOST, DILG, DOF and other relevant government agencies.

All existing laws, rules, ordinances and orders issued by the national and local government units that ban the use of or tax or impose charges or fees for the use of the plastic products covered by this Act are hereby modified and amended to exclude such plastic products.

SEC. 6. Penal provisions. –

- (1) The producer shall pay a fine equal to two percent (2%) of the annual gross turnover of the producer for any of the following:
 - (a) For failure to establish an annual EPR scheme;
 - (b) For failure to meet the volume targets in any year,

For under-declaration of the volume of plastic products covered by this Act sold, or an over-declaration of the volume of plastic waste collected by a producer acting as a PRO, or by a PRO acting on behalf of a producer, pay a fine corresponding to five percent (5%) of the producer's gross turnover during the period of non-compliance. The business permit of said producer and PRO shall be cancelled and the corporate officers of the producers and PRO shall be subject to criminal prosecution under the appropriate criminal statute.

SEC. 7. *Appropriation.* – The sum necessary for the effective implementation of this Act shall be charged against the appropriations for the Department of Environment and Natural Resources under the General Appropriations Act. Thereafter, such amount as may be necessary for the continued operations of the centers shall be included in the annual General Appropriations Act: *Provided,* That obliged companies and the respective PROs shall be responsible for the funds necessary to operationalize and maintain the EPR systems, in compliance with this Act and its implementing rules and regulations.

SEC. 8. *Implementing Rules and Regulations.* – The Department of Environment and Natural Resources (DENR), in consultation with relevant government agencies and other stakeholders, shall formulate the rules and regulations necessary to implement the provisions of this Act within six (6) months from its effectivity.

SEC. 9. *Separability Clause.* – If any portion or provision of this Act is declared unconstitutional or invalid, the remainder of this Act or any provisions hereof not affected thereby shall continue to be in force and effect.

SEC. 10. *Repealing Clause.* – Any law, presidential decree or issuance, executive order, letter of instruction, rule or regulation inconsistent or contrary to the provisions of this Act is hereby repealed or modified accordingly.

SEC. 11. *Effectivity.* – This Act shall take effect after fifteen (15) days following its complete publication in the *Official Gazette* or a newspaper of general circulation. *Approved,*