

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

5 AUG 23 P2:51

SENATE  
S.B. No. 2091 RECEIVED BY: \_\_\_\_\_

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Introduced by Senator Miriam Defensor Santiago

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EXPLANATORY NOTE

The 1987 Constitution, Article II, Section 16 states that:

The State shall protect and promote the right to health of the people and instill health consciousness among them.

Furthermore, the same article states that:

The State shall protect and advance the right of the people to a balanced and healthful ecology in accord with the rhythm and harmony of nature.

This bill seeks to implement these policies by minimizing the amount of used and discarded computers discarded as garbage. At the same time, this bill addresses Section 15 of the same Article II of the Constitution --

The State shall protect and advance the right of the people to a balanced and healthful ecology in accord with the rhythm and harmony of nature.

Like many other developing countries, the Philippines still pales in comparison to other nations in terms of personal computer (PC) penetration index. This index measures the ratio of the number of PCs installed relative to the country's population. Data culled from the International Data Corporation showed that the number of PCs installed in the Philippines last year reached only 1.37 million, which is barely two percent, of the total Philippine population. However, although we have a only a few computers in proportion to our population, 1.37 million computers, when thrown as garbage, would still pose a big environmental and health problem.

Since these computers may eventually be discarded by their owners and replaced with faster and more advanced machines, this bill seeks to establish a grant and fee program to encourage and promote the recycling of used computers and to promote the development of a national infrastructure for the recycling of used computers.

*Miriam Defensor Santiago*  
MIRIAM DEFENSOR SANTIAGO  
*MS*

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

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

SECTION 1. *Short Title.* - This Act shall be known as the "National Computer Recycling Act of 2005."

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

SECTION 3. *Definition of Terms.* - For purposes of this Act --

(1) "Secretary" means the Secretary of the Department of Environment and Natural Resources.

(2) "Cathode Ray Tube" means a vacuum tube or picture tube used to convert an electronic signal into a visual image;

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

(4) "Computer" means an electronic, magnetic, optical, electrochemical, or other high speed data processing device performing logical, arithmetic, or storage functions,

and may include both a central processing unit and a monitor, but such term does not include an automated typewriter or typesetter, a portable hand held calculator, or other similar device;

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

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

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

#### SECTION 4. *Fee.* –

(a) REQUIREMENT – Effective one hundred eighty (180) days after the transmittal to the Congress of the results of the study conducted under section 7(a), the Secretary shall require that a fee be assessed on the sale (including a sale through the Internet or a catalogue) to an end-user of any computer, monitor, or other electronic device designated by the Secretary under subsection (c). The Secretary shall establish procedures for the collection of such fee. The requirement under this subsection shall not apply to a sale by an end-user to a subsequent end-user.

(b) Fee Amount- The amount of the fee required under subsection (a) shall--

(1) be an amount sufficient to cover the costs of carrying out section 5(a) and subsection (c) of this section;

(2) be uniform--

(A) for each computer with a central processing unit and monitor integrated in a single device;

(B) for each central processing unit;

(C) for each monitor; and

(D) for each class of other devices designated by the Secretary under subsection (c);

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

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

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

(d) Exempted Sales- The requirement of a fee under this section shall not apply to a sale of a used computer, monitor, or device by a nonprofit organization.

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

(1) in an environmentally sound and responsible manner;

(2) without violation of any Philippine law; and

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

(f) Designation of Electronic Devices- The Secretary may designate additional electronic devices to which the fee under subsection (a) shall apply if those electronic devices--

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

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

SECTION 5. *Grants.* -

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

(1) covering the costs of administration of this Act; and

(2) making grants under subsection (b).

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

(b) *Grant Purposes-* The Secretary shall make grants with funds collected under section 4 to individuals or organizations (including units of local government) for--

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

(2) reusing or reselling such computers, monitors, or devices, or components thereof; and

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

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

(d) *Selection Criteria-* In selecting proposals for grants under subsection (b), the Secretary shall consider--

(1) the quantity of used computers, monitors, or other designated devices that will be diverted from landfills;

(2) the estimated cost per unit of the collection, processing, reuse, or sale proposed;

(3) the availability of, and potential for, markets for recycled materials;

(4) the degree to which the proposal mitigates or avoids harmful environmental or health effects;

(5) the degree to which the proposal employs innovative recycling technologies; and

(6) the demonstrated history of the grant applicant in disposing of or providing for the reuse of computers, monitors, or devices in an environmentally sound and responsible manner without violation of any law.

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

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

SECTION 7. *Study And Reports.* -

(a) Study- Not later than six (6) months after the date of the enactment of this Act, the Secretary shall transmit to the Congress the results of a study that--

(1) identifies waste materials in used computers that may be hazardous to human health or the environment;

(2) estimates the quantities of such materials that exist or will exist in the future, including a separate estimate of the quantities of such materials that are exported to the Philippines;

(3) estimates the costs of transporting, collecting, and processing computers, monitors, and other designated devices;

(4) describes current management of such waste materials;

(5) makes recommendations for the management of electronic products containing such waste materials at the end of their useful lives; and

(6) estimates the demand for materials from recycled computers, and make recommendations for increasing the markets for such materials.

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

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

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

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

Approved.