#### FIFTEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES First Regular Session

### SENATE

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s. No. 246

RÉCENCED NY

## Introduced by Senator Antonio "Sonny" F. Trillanes IV

#### EXPLANATORY NOTE

The earth's natural resources are being devoured today at a rate that highlights the idea that future generations will be paying for serious consequences. For this reason, the importance of recycling has been continuously becoming an essential matter which concerns the general public and the economy.

The ban on disposing electronic waste (e-waste) through the normal solid waste stream has resulted in illegal dumping in many countries. At present, many companies and individuals are improving their recycling habits by coming up with ways to reduce what they use. This concept of recycling is not only favorable for our surroundings but also for businesses as they secure better relations with the consumers over the matter of saving the environment.<sup>1</sup>

In this light, a comprehensive legislation that will provide the people a method on how to recycle much of what is being used, instead of turning it into unusable waste, is highly called for.

This bill aims to help recycle the people's electronic devices for free by taking a "manufacturers' responsibility" approach to recycle e-waste. Applicable only to devices sold to households, this bill requires companies that produce consumer electronics to collect and recycle the products they have sold.

In view of the foregoing, the immediate approval of this bill is earnestly recommended.

SONNY" F. TRILLANES IV Senator

<sup>&</sup>lt;sup>1</sup> The Importance of Recycling. Data retrieved on 02 July 2008 at <u>http://printerinkcartridges.printcountry.com/inkjet-recycling-and-buyback-recycled-empty-cartridges-related-articles/the-importance-of-recycling-and-how-we-can-help-environment</u>

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## SENATE

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## s. No. 246

# RECEIVED BY \_\_\_\_\_

## Introduced by Senator Antonio "Sonny" F. Trillanes IV

## AN ACT

# PROVIDING FOR THE COLLECTION, TRANSPORTATION AND RECYCLING OF ELECTRONIC WASTE AND CELLULAR PHONES

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

1	ARTICLE I
2	TITLE
3	SECTION 1. Short Title. This Act may be cited as the "E-waste and Cellular Phones
4	Recycling Act of 2010".
5	
6	SEC.2. Definition of Terms For the purpose of this Act, the following are defined as
7	follows:
8	(a) "Bureau" means the Bureau of Internal Revenue;
9	(b) "Cathode-ray tube" or "CRT" means a vacuum tube or picture tube used to convert an
10	electronic signal into a visual image;
11	(c) "Collection" means the aggregation of covered electronic devices from households
1 <b>2</b>	and includes all the activities up to the time the covered electronic devices are
13	delivered to a recycler;
14	(d) "Collector" means a public or private entity that receives covered electronic devices
15	from households and arranges for the delivery of the devices to a recycler;

1 (e) "Commissioner" means the Commissioner of the Bureau of Internal Revenue; (f) "Computer" means an electronic, magnetic, optical, electrochemical, or other high-2 3 speed data processing device performing logical, arithmetic, or storage functions, but does not include an automated typewriter or typesetter, a portable hand-held 4 calculator or device, or other similar device; 5 6 (g) "Computer monitor" means: (1) an electronic device that is a cathode-ray tube or flat panel display 7 primarily intended to display information from a central processing unit or 8 9 the Internet; (2) includes a laptop computer; 10 (h) "Covered electronic device" means computers, peripherals, facsimile machines, DVD 11 players, video cassette recorders, and video display devices that are sold to a 12 household by means of retail, wholesale, or electronic commerce; 13 (i) "Department" means the Department of Environment and Natural Resources; 14 (i) "Dwelling unit" means a single unit providing complete, independent, living 15 16 facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking, and sanitation; 17 (k) "Household" means an occupant of a single detached dwelling unit or a single unit of 18 a multiple dwelling unit who has used video display device at a dwelling unit 19 20 primarily for personal use; (1) "Manufacturer" means a person who: 21 22 (1) manufactures video display devices to be sold under its own brand as identified by its own brand label; or 23 (2) sells video display devices manufactured by others under its own brand as 24 25 identified by its own brand label.

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(m)"Peripheral" means a keyboard, printer, or any other device sold exclusively for external use with a computer that provides input or output into or from a computer;

(n) "Program year" means the period from July 1 through June 30 of the following year;

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- (o) "Recycler" means a public or private individual or entity who accepts covered electronic devices from households and collectors for the purpose of recycling. A manufacturer who takes products for refurbishment or repair is not a recycler;
- 7 (p) "Recycling" means the process of collecting and preparing video display devices or 8 covered electronic devices for use in manufacturing processes or for recovery of 9 useable materials followed by delivery of such materials for use. Recycling does not 10 include the destruction by incineration or other process or land disposal of recyclable 11 materials nor reuse, repair, or any other process through which video display devices 12 or covered electronic devices are returned to use for households in their original 13 form;
- (q) "Recycling credits" means the number of pounds of covered electronic devices
  recycled by a manufacturer from households during a program year, less the product
  of the number of pounds of video display devices sold to households during the same
  prògram year, multiplied by the proportion of sales a manufacturer is required to
  recycle;
- (r) "Retailer" means a person who sells, rents, or leases, through sales outlets, catalogs,
  or the Internet, a video display device to a household and not for resale in any form;
- 21 (s) "Secretary" means the Secretary of the Department of Environment and Natural
  22 Resources;
- (t) "Sell" or "sale" means any transfer for consideration of title or of the right to use, by
   lease or sales contract, including, but not limited to, transactions conducted through
   sales outlets, catalogs, or the Internet, or any other similar electronic means, by a
   person who conducts the transaction and controls the delivery of a video display

device to a consumer, but does not include a manufacturer's or distributor's wholesale transaction with a distributor or a retailer;

- (u) "Television" means an electronic device that is a cathode-ray tube or flat panel display primarily intended to receive video programming via broadcast, cable, or satellite transmission or video from surveillance or other similar cameras;
- (v) "Video display device" means a television or computer monitor, including a laptop computer, that contains a cathode-ray tube or a flat panel screen with a screen size that is greater than nine inches measured diagonally and that is marketed by manufacturers for use by households. Video display device does not include any of the following:
- (1) a video display device that is part of a motor vehicle or any component part of
  a motor vehicle assembled by, or for, a vehicle manufacturer or franchised
  dealer, including replacement parts for use in a motor vehicle;
- (2) a video display device, including a touch-screen display, that is functionally or
  physically part of a larger piece of equipment or is designed and intended for
  use in an industrial; commercial, including retail; library checkout; traffic
  control; kiosk; security, other than household security; border control; or
  medical setting, including diagnostic, monitoring, or control equipment;
- (3) a video display device that is contained within a clothes washer, clothes dryer,
   refrigerator, refrigerator and freezer, microwave oven, conventional oven or
   range, dishwasher, room air conditioner, dehumidifier, or air purifier; or
- (4) a telephone of any type unless it contains a video display area greater than
  nine inches measured diagonally.
- (w) "Cellular telephone" means a mobile wireless telephone device that is designed to
   send or receive transmissions through a cellular radiotelephone service and does not

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1	include a wireless telephone device that is integrated into the electrical architecture of
2	a motor vehicle;
3	(x) "Cellular telephone service provider" means a provider of wireless voice or data retail
4	service;
5	(y) "Retailer" means a person, firm or corporation that sells or offers to sell a cellular
6	telephone to a consumer at retail.
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8	ARTICLE II
9	<b>REGISTRATION PROGRAM</b>
10	SEC. 3. Requirements for Sale. –
11	(a) A manufacturer must not sell or offer for sale or deliver to retailers for subsequent
12	sale a new video display device unless:
13	(1) the video display device is labeled with the manufacturer's brand, which label
14	is permanently affixed and readily visible; and
15	(2) the manufacturer has filed a registration with the Department.
16	(b) A retailer who sells or offers for sale a new video display device to a household
17	must, before the initial offer for sale, review the Department Web site specified in
18	Section 4 (g) to determine that all new video display devices that the retailer is
19	offering for sale are labeled with the manufacturer's brands that are registered with
20	the Department;
21	(c) A retailer is not responsible for an unlawful sale if the manufacturer's registration
22	expired or was revoked and the retailer took possession of the video display device
23	prior to the expiration or revocation of the manufacturer's registration and the
24	unlawful sale occurred within six months after the expiration or revocation.
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26	SEC. 4. Manufacturer's Registration. –
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1 (a) A manufacturer of video display devices sold or offered for sale to households must 2 submit a registration to the Department that includes: 3 (1) a list of the manufacturer's brands of video display devices offered for sale in the country; 4 5 (2) the name, address, and contact information of a person responsible for ensuring compliance with this Act; and 6 (3) a certification that the manufacturer has complied and will continue to comply 7 with the requirements of the Sections under Article II of this Act. 8 (b) Each year, a manufacturer of video display devices sold or offered for sale to a 9 household must include in the registration submitted under paragraph (a) of this 10 11 Section, a statement disclosing whether: (1) any video display devices sold to households exceed the maximum 12 concentration values established for lead, mercury, cadmium, hexavalent 13 chromium, polybrominated biphenyls (PBBs), and polybrominated diphenyl 14 ethers (PBDEs); or 15 (2) the manufacturer has received an exemption from one or more of those 16 approved maximum concentration values. 17 A manufacturer who begins to sell or offer for sale video display devices to 18 (c) households, and has not filed a registration under this Section must submit a 19 20 registration to the Department within ten (10) days of beginning to sell or offer for sale video display devices to households; 21 A registration must be updated within ten (10) days after a change in the 22 (d) manufacturer's brands of video display devices sold or offered for sale to 23 24 households; 25 (e) A registration is effective upon receipt by the Department and is valid until August 26 1 of each year;

- (f) The Department must review each registration and notify the manufacturer of any
   information required by this Section that is omitted from the registration. Within
   thirty (30) days of receipt of a notification from the Department, the manufacturer
   must submit a revised registration providing the information noted by the
   Department;
- (g) The Department must maintain on its Web site the names of manufacturers and the 6 7 manufacturers' brands listed in registrations filed with the Department. The Department must update the Web site information promptly upon receipt of a new 8 or updated registration. The Web site must contain prominent language stating, in 9 10 effect, that all Sections in this Act are directed at household equipment and the manufacturers' brands list is, therefore, not a list of manufacturers qualified to sell 11 to industrial, commercial, or other markets identified as exempt from the 12 requirements of this Act. 13
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15 SEC. 5. *Collector's Registration.* - No person may operate as a collector of 16 covered electronic devices from households unless that person has submitted a registration with 17 the Department on a form prescribed by the Secretary. Registration information must include the 18 name, address, telephone number, and location of the business and a certification that the 19 collector has complied and will continue to comply with the requirements of Sections under 20 Article II of this Act. A registration is effective upon receipt by the Department and is valid until 21 July 1 of each year.

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SEC. 6. *Recycler's Registration.* – No person may recycle video display devices
 generated by households unless that person has submitted a registration with the Department on a
 form prescribed by the Secretary. Registration information must include the name, address,
 telephone number, and location of all recycling facilities under the direct control of the recycler

that may receive video display devices from households and a certification that the recycler has
complied and will continue to comply with the requirements of Sections under Article II of this
Act. A registered recycler may conduct recycling activities that are consistent with this Act. A
registration is effective upon receipt by the Department and is valid until July 1 of each year.

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6 SEC. 7. *Manufacturer's Registration Fee.* – Each manufacturer who registers under 7 Article II of this Act must, each year, pay to the Commissioner of the Bureau an annual 8 registration fee. The Commissioner of the Bureau must deposit the fee in the account established 9 in Section 4 of this Act.

ARTICLE III
<b>REPORTING REQUIREMENTS</b>
SEC. 8. Manufacturer's Reporting Requirements. –
(a) By August 1 of each year, each manufacturer must report to the Bureau:
(1) the total weight of each specific model of its video display devices sold to
households during the previous program year;
(2) the total weight of its video display devices sold to households during the
previous year; or
(3) an estimate of the total weight of its video display devices sold to households
during the previous program year based on national sales data. A
manufacturer must submit with the report required under this paragraph a
description of how the information or estimate was calculated;
(b) By August 1 of each year, each manufacturer must report to the Bureau the total
weight of covered electronic devices the manufacturer collected from households
and recycled or arranged to have collected and recycled during the preceding
program year.

1	(c) By August 1 of each year, each manufacturer must report to the Bureau:	
2	(1) the number of recycling credits the manufacturer has purchased and sold	
3	during the preceding program year;	
4	(2) the number of recycling credits the manufacturer retains at the beginning of	
5	the current program year.	
6		
7	SEC. 9. Recycler's Reporting Requirements By August 1 of each year, a recycler of	
8	covered electronic devices must report to the Department and the Bureau the total weight of	
9	covered electronic devices recycled during the preceding program year and must certify that the	
10	recycler has complied with Article IV of this Act.	
11	SEC. 10. Collector's Reporting Requirements By August 1 of each year, a collector	
12	must report to the Department the total pounds of covered electronic devices collected, and	
13	provide a list of all recyclers to whom collectors delivered covered electronic devices.	
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15	ARTICLE IV	
16	RESPONSIBILITIES	
17	SEC. 11. Manufacturer's Responsibilities	
18	(a) In addition to fulfilling the requirements of this Act, a manufacturer must comply	
19	with paragraphs (b) to (e);	
20	(b) A manufacturer must annually recycle or arrange for the collection and recycling of	
21	an amount of covered electronic devices equal to the total weight of its video	
22	display devices sold to households during the preceding program year, multiplied	
23	by the proportion of sales of video display devices required to be recycled, as	
24	established by the Department under Section 14 (c) of this Act;	

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- (c) The obligations of a manufacturer apply only to video display devices received from households and do not apply to video display devices received from sources other than households;
- 4 (d) A manufacturer must conduct and document due diligence assessments of collectors
  5 and recyclers it contracts with, including an assessment of the items. A
  6 manufacturer is responsible for maintaining, for a period of three years,
  7 documentation that all video display devices recycled, partially recycled, or sent to
  8 downstream recycling operations comply with the necessary requirements;
  - (e) A manufacturer must provide the Department with contact information for a person who can be contacted regarding the manufacturer's activities under this Act.
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#### 12 SEC. 12. Recycler's Responsibilities. -

- (a) As part of the report submitted under this Act, a recycler must certify, except as
  provided in paragraph (b) of this Section, that facilities which recycle video display
  devices, including all downstream recycling operations:
- 16 (1) comply with all applicable health, environmental, safety, and financial
  17 responsibility regulations;
- 18 (2) are licensed by all applicable governmental authorities;
- 19 (3) use no prison labor to recycle video display devices; and
- 20 (4) possess liability insurance for environmental releases, accidents, and other
  21 emergencies.
- (b) A nonprofit corporation that contracts with a correctional institution to refurbish
  and reuse donated computers in schools is exempt from paragraph (a) (3) and (4);
- 24 (c) Except to the extent otherwise required by law, a recycler has no responsibility for
  25 any data that may be contained in a covered electronic device if an information
  26 storage device is included in the covered electronic device;

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#### SEC. 13. Retailer's Responsibilities. -

- (a) By July 1 of each year, a retailer must report to a manufacturer the number of video display devices, by video display device model, labeled with the manufacturer's brand sold to households during the previous program year;
- (b) A retailer who sells new video display devices shall provide information to households describing where and how they may recycle video display devices and advising them of opportunities and locations for the convenient collection of video display devices for the purpose of recycling. This requirement may be met by providing to households the Department's toll-free number and Web site address. Retailers selling through catalogs or the Internet may meet this requirement by including the information in a prominent location on the retailer's Web site.
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#### **ARTICLE V**

#### DEPARTMENT AND BUREAU DUTIES

- 15 SEC. 14. Duties of the Department. –
- 16 (a) The Department shall administer all Sections in this Act;
- 17 (b) The Department shall establish procedures for:
- (1) receipt and maintenance of the registration statements and certifications filed
  with the Department under Article II; and
- 20 (2) making the statements and certifications easily available to manufacturers,
   21 retailers, and members of the public.
- (c) The Department shall annually review the value of the following variables which will
  be a part of the formula to be used to calculate a manufacturer's annual registration
  fee:
- 25 (1) the proportion of sales of video display devices sold to households that
  26 manufacturers are required to recycle;

- (2) the estimated per-pound price of recycling covered electronic devices sold to households;
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(3) the base registration fee; and the multiplier established for the weight of covered electronic devices collected.

- If the Department determines that any of these values must be changed in order to improve the efficiency of the activities regulated under this Act, it shall present those recommendations and the reasons for them to Committees of the Congress with jurisdiction over solid waste policy.
- 9 (d) By January 15 each year, the Department shall calculate estimated sales of video
  10 display devices sold to households by each manufacturer during the preceding
  11 program year, based on national sales data, and forward the estimates to the Bureau;
- (e) On or before December 1 each year, the Department shall provide a report to the 12 legislature on the implementation of this Act. For each program year, the report must 13 14 discuss the total weight of covered electronic devices recycled and a summary of . information in the reports submitted by manufacturers and recyclers under Article III. 15 The report must also discuss the various collection programs used by manufacturers 16 to collect covered electronic devices; information regarding covered electronic 17 devices that are being collected by persons other than registered manufacturers, 18 collectors, and recyclers; and information about covered electronic devices, if any, 19 being disposed of in landfills in the country. The report must include a description of 20 enforcement actions under this Act. The Department may include in its report other 21 information received by the Department regarding the implementation of this Act; 22
- (f) The Department shall promote public participation in the activities regulated under
  this Act through public education and outreach efforts;

- (g) The Department shall enforce this Act accordingly, except for those provisions
   enforced by the Bureau. The Department may revoke a registration of a collector or
   recycler found to have violated this Act;
- (h) The Department shall facilitate communication as regards the collection and recycling
  centers, and manufacturers to ensure that manufacturers are aware of video display
  devices available for recycling;
- 7 (i) The Department shall develop a form retailers must use to report information to
  8 manufacturers under Article IV and post it on the Department's Web site;
- 9 (j) The Department shall post on its Web site the contact information provided by each
  10 manufacturer under Section 11, paragraph (e) of this Act.

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#### SEC. 15. Duties of the Bureau. –

- 12 (a) The Bureau must collect the data submitted to it annually by each manufacturer on the total weight of each specific model of video display device sold to households, 13 if provided; the total weight of video display devices sold to households; the total 14 15 weight of covered electronic devices collected from households that are recycled; and data on recycling credits, as required under Article III of this Act. The Bureau 16 must use this data to review each manufacturer's annual registration fee submitted 17 to the Bureau to ensure that the fee was calculated accurately according to the 18 19 necessary formula.
- (b) The Bureau must estimate, for each registered manufacturer, the sales of video
  display devices to households during the previous program year, based on the data
  provided by a manufacturer on sales of video display devices to households,
  including documentation describing how that amount was calculated and
  certification that the amount is accurate; or

1	(c)	The Bureau must enforce Section 7 of this Act. The Commissioner may grant
2		extensions to pay, and impose and abate penalties and interest on the fee due under
3		Section 7 of this Act.
4	(d)	The Bureau may disclose nonpublic data to the Department only when necessary
5		for the efficient and effective administration of the activities regulated under this
6		Act. Any data disclosed by the Bureau to the Department retains the classification it
7		had when in the possession of the Bureau.
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9		ARTICLE VI
10		<b>RECYCLING OF CELLULAR PHONES</b>
11	SEC	C., 16. Collection System. A retailer shall accept, at no charge, used cellular
12	telephones from any person. A retailer required to accept used cellular telephones under this	
13	Section shal	l post, in a prominent location open to public view, a notice printed in boldface type
14	and contain	ing the following language: "We accept used cellular telephones at no charge."
15		
16	SEC.	17. Disposal Ban A person may not dispose off a cellular telephone in solid
17	waste for di	sposal in a solid waste disposal facility.
18		
19	SEC.	18. Reports Every year, a cellular telephone service provider shall report to the
20	Bureau the	number of cellular telephones collected pursuant to this Section and how the
21	collected ce	llular telephones were disposed of, reused or recycled. The Bureau shall report on the
22	collection s	ystem to the joint standing committee of the Legislature having jurisdiction over
23	natural reso	urces matters.

1	SEC. 19. Separability Clause If any part or provision of this Act is held
2	unconstitutional or invalid, other parts or provisions hereof which are not affected thereby shall
3	continue to be in full force and effect.

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5 SEC. 20. *Effectivity*. - This Act shall take effect after fifteen (15) days following its
6 complete publication in at least two (2) national newspapers of general circulation.

Approved,

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