EXPLANATORY NOTE

Usage of plastics may have been a way of life for many Filipinos. However, a large part of plastic that we use quickly ends up in the garbage. It takes about 1,000 years for an average plastic bag to naturally decompose. Its components are mostly resistant to natural decay causing stagnant deposits of plastic garbage in landfills.

Plastics have caused detrimental damages in the environment. It has polluted our lands, waters and air on a tremendous extent. It clogs our sewer ways resulting to massive flash floods. It even finds itself in our bodies from the marine life that we consume which have microplastics inside.

In order to minimize the environmental damages it has caused, this measure seeks to regulate the use of single-use plastics by imposing standards for plastic manufacturers. This bill also provides incentives to those plastic industries who adhere in finding alternatives for plastic usage. Ultimately, this bill aims to reduce the usage of plastics and promote environmental awareness.

In view of the foregoing, the immediate passage of this bill is earnestly sought.

MANUEL DG. CABOCHAN III
Representative
Magdalo Para Sa Pilipino Party-List
REPUBLIC OF THE PHILIPPINES
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
First Regular Session

House Bill No. 6640

Introduced by MAGDALO Party-List Representative
HON. MANUEL DG. CABOCHAN III

AN ACT
REGULATING THE MANUFACTURING, IMPORTATION AND USE OF SINGLE-USE PLASTIC PRODUCTS, AND PROVIDING PENALTIES, LEVIES AND AN INCENTIVES SYSTEM FOR INDUSTRIES, BUSINESS ENTREPRISES AND CONSUMERS THEREOF

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 "Single-Use Plastics Regulation and Management Act."

SEC. 2. Declaration of Policy. – It is hereby declared the policy of the State to adopt a systematic, comprehensive, and ecological regulation of single-use plastic products to advance the right of the people to a healthy environment and ecology.

SEC. 3. Definition of Terms. – As used in this Act:

(a) Business enterprises refer to establishments engaged in the production, manufacturing, processing, repacking, assembly, or sale of goods and/or services, including service-oriented enterprises. It shall include retailers, self-employed or own-account workers, micro, small, and medium enterprises (MSMEs) and community based business enterprises;

(b) Climate change refers to a change in climate that can be identified by changes in the mean or variability of its properties and that persists for an extended period typically decades or longer, whether due to natural variability or as a result of human activity;

(c) Consumer refers to a person who is a purchaser, lessee, recipient or prospective purchaser, lessor or recipient of consumer products, services or credit;

(d) Disposal refers to the discharge, deposit, dumping, spilling, leaking or placing of any
waste into or on land;

(e) *Incentives* refers to incentives provided for under RA No. 9520 otherwise known as the Philippine Cooperative Code of 2008, RA No. 9178 otherwise known as the Barangay Micro-Business Enterprise Act of 2002, RA No. 9501 otherwise known as the Magna Carta for Micro, Small, and Medium Enterprises, Executive Order No. 226 otherwise known as the Omnibus Investment Code of 1987, RA No. 10771 otherwise known as the Green Jobs Act of 2016 or incentives as defined by the local government unit through an ordinance specifically for this purpose, where applicable;

(f) *Life Cycle Assessment* refers to the process of evaluating the effects that a product has on the environment over the entire period of its life cycle, which covers all the processes required: extraction and processing; manufacture, transport and distribution; use, reuse and maintenance; recycling; and final disposal;

(g) *Microplastics* refer to small pieces of plastic found in the ocean, commonly defined as < 5mm in diameter, including particles as small as 10 nanometers; h) Plastic refers to lightweight, hygienic and resistant material which can be molded in a variety of ways and utilized in a wide range of applications;

(h) *Plastic* refers to lightweight, hygienic and resistant material which can be molded in a variety of ways and utilized in a wide range of applications;

(i) *Recyclable material* refers to any waste material retrieved from the waste stream and free from contamination that can still be converted into suitable beneficial use or for other purposes, including, but not limited to, newspaper, ferrous scrap metal, non-ferrous scrap metal, used oil, corrugated cardboard, aluminum, glass, office paper, tin cans and other materials as may be determined by the National Solid Waste Management Commission (NSWMC);

(j) *Recycled material* refers to post-consumer material that has been recycled and returned to the economy;

(k) *Recycling* shall refer to the treating of used or waste materials through a process of making them suitable for beneficial use and for other purposes, and includes any process by which solid waste materials are transformed into new products in such a manner that the original product may lose their identity, and which may be used as raw materials for the production of other goods or services;

(l) *Retailer* refers to a person engaged in the business of selling consumer products directly to consumers;

(m) *Re-use* refers to the process of recovering materials intended for the same or different purposes without the alteration of physical and chemical characteristics;
(n) *Reusable material/plastics/packaging* shall refer to any material specifically designed and manufactured for multiple re-use and extended life. These shall meet the following requirements/considerations:

(i) May be capable of composting and is biodegradable;
(ii) Can be accepted for recycling; and
(iii) Does not contain any toxic or harmful substance or chemical such as but not limited to lead, cadmium, or any other heavy metal as provided for by existing rules and regulations of the Department of Environment and Natural Resources (DENR).

(o) *Single-use plastics*, for the purpose of this Act, refer to disposable plastics which are commonly used for plastic packaging and include items intended to be used only once before they are thrown away or recycled. These include, but are not limited to, items such as grocery bags, food packaging films and bags, manufacturing water bottles, straws, stirrers, containers, styrofoam/styros, cups, sachets and plastic cutlery; and

(p) *Source reduction* refers to the reduction of solid waste before it enters the solid waste stream by methods such as product design, materials substitution, materials re-use and packaging restrictions.

**SEC. 4. Scope.** – This act shall apply to the manufacture, importation, use, recycling and disposal of all single-use plastics used in trade or commerce in business enterprises, as well as by retailers and consumers, wherever located in the Philippines, as defined under Section 3 of this Act.

**SEC. 5. Prohibition and Phase-out of Single-Use Plastics.** – The phase-out of single-use plastics by all business enterprises to consumers shall be in full force and effect one (1) year from the effectivity of this Act.

In the interim period of within one (1) year, the following shall be enforced:

(a) The provision of single-use plastics by food establishments, stores, markets and retailers shall be strictly prohibited;
(b) Consumers shall be encouraged/diverted to use re-usable materials in substitution for single-use plastics; substitution for single-use plastics;
(c) Single-use plastics already manufactured and in circulation in the general market shall be collect, recycled, and properly disposed of by the manufactures pursuant to the provisions of this Act;
(d) For single-use plastic materials which cannot be avoided, business enterprises must
ensure that these are recycled in accordance with Section 7 of this Act;

(e) For each piece of single-use plastics already manufactured and in circulation at the
time, the retailers shall charge the consumer a minimum levy of five pesos (Php5.00);
and

(f) The amount collected in subparagraph (e) of this Section by the retailers shall be
reflected in the official receipt. Twenty percent (20%) of the said amount shall be kept
by the business enterprises to cover the cost of the said bags, while (80%) shall be
remitted monthly, quarterly, or semi-annually to the Special Plastic Fund created
under this Act.

At the end of one (1) year period, and upon full effectivity of this Act, the further and
continued provision by all business enterprises and use by consumers of single use plastics
shall be strictly prohibited.

For take-outs and selling of food and beverages, a discount of five pesos (Php 5.00)
shall be given to the consumer for bringing their own re-usable/recyclable containers.

SEC. 6. Prohibition on the Importation of Single-use Plastics. – One(1) year from the
effectivity of this Act, the Department of Finance, through the Bureau of Customs (BOC), in
coordination with relevant agencies such as DENR, Department of Trade and Industry (DTI),
Department of Health (DOH) and the Climate Change Commission (CCC), shall ensure that
no single-use plastics, including waste products from the same, will be imported to the
country. Tariffs shall be correspondingly imposed by the Tariff Commission and collected by
the BOC, which shall be further specified in the Implementing Rules and Regulations of this
Act.

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

The establishment of Materials Recovery Facility (MRFs), which shall be obligatory
upon the business enterprises, shall serve as the collection points for used single-use plastics.
LGUs, plastic manufacturers and business enterprises shall put systems and procedures in
place for the proper collection of the used single-use plastics and its delivery to the recycling
centers.

It shall be the responsibility of the manufacturers that these plastics are properly
collected, recycled, and disposed of, in accordance with this Act. Manufacturers shall also
maintain records describing the recovery, collection, transport, recycling of plastic bags
collected annually and shall make the records available to the National Solid Waste
Management Commission (NSWMC) and/or the local government unit concerned, upon request, to demonstrate compliance with this Act.

SEC. 8. Proper Disposal and Management of Plastic Wastes. — The disposal and management of plastic waste shall be done in accordance with the provisions of Republic Act No. 9003.

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

SEC. 9. Research and Development (R&D) for Single-use Plastic Packaging Alternatives. — The Department of Science and Technology (DOST) and NSWMC shall include in their respective programs and R&D agenda, and consequently, fund research on single-use plastic packaging alternatives. Alternatives may include, but shall not be limited to the following:

(a) Natural polymers

(b) Biomass-based compostable bio-polymers (i.e. starch, non-starch thermoplastic bio-composite, synthetic-based polymers)

(c) Upcycling

(d) Fiber production

(e) Life cycle assessment; and

(f) Feasibility studies (i.e. willingness to pay, levies, tax, discount, disincentives/incentives, recommended rates)

The NSWMC and DOST shall be provided assistance to DENR and the manufacturers for the implementation of this Act, particularly as regards the proper recycling and disposal of used single-use plastics, and developing more environmentally-friendly types of plastics used as primary packaging materials, among others.

The DTI, technical Education and Skills Development Authority (TESDA), Department of Labor and Employment (DOLE) and the Presidential Communications Operations Office (PCOO), in coordination with plastic manufacturers/industries, non-government and civil society organizations, and other concerned stakeholders, shall conduct studies within six (6) months upon the effectivity of this Act to determine the impact of this Act on affected plastic industry employees and workers. They shall likewise, together with DOST anti the National Ecology Center (NEC), develop a capacity-building program for alternative livelihood opportunities for the affected employees and workers in areas such as
recycling of used plastic products and cottage industries, among others.

SEC. 10. Program for Affected Employees and Workers of the Plastic Industry. – Within six (6) months form the effectivity of this Act, massive research and technology development initiatives, pilot-testing of innovations and technologies resulting from these studies, and capacity-building activities shall be undertaken with plastic-manufacturing industries and business enterprises for them to adopt these technologies. DOST, NEC, DTI, DOLE and TESDA shall implement the capacity-building program to relevant stakeholders. DOST, in coordination with the NEC, shall provide the LGUs with technical assistance, trainings, and continuing capacity-building programs to attain the objectives of this Act.

SEC. 11. Inclusion in the Philippine National Standards (PNS). – The NSWMC, DOST, and DTI through the Bureau of Product Standards (BPS), shall develop the standards and include in the Philippine National Standards (PNS) the products, items or technologies resulting from studies which were pilot-tested. It shall include the specifications of the said products, taking into consideration existing and available best technologies and internationally mandated and accepted standards, and in accordance with the provisions, mandates and standards of this Act.

SEC. 12. Incentives for the Plastic Industries Shifting to Alternatives. – The manufacture of alternatives to single-use plastics under Section 9 of this Act shall be supported and encouraged. Business enterprises, individuals, cooperatives, partnerships, and corporations which engage in the manufacture of identified alternatives to single-use plastics shall be given incentives provided for under the Philippine Cooperative Code of 2008, the Barangay Micro-Business Enterprise Act of 2002, the Magna Carta for Micro, Small, and Medium Enterprises, the Omnibus Investment Code of 1987 or the Green Jobs Act of 2016, where applicable. The DENR and DTI, in coordination with the Department of Finance (DOF), shall provide technical and financial assistance to these manufacturers.

LGUs are encouraged and shall be allowed to provide additional benefits and incentives to these manufacturers within their jurisdiction, consistent with existing laws, rules and regulations, which shall be in addition to the benefits and incentives provided for in the previous paragraph.

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

SEC. 13. Monitoring and Market Inspection. – The NSWMC and DTI, in coordination with the LGUs, and local law enforcement agencies, shall conduct regular inspection and monitoring of business enterprises and facilities of manufacturers to determine compliance with this Act. Inspection and monitoring shall include the following:

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

(b) Inspect off-site storage facilities, distribution centers and transhipment points.

SEC. 14. Certification. — The LGUs concerned, after the conduct of a thorough examination and inspection, shall issue the necessary certificate to show whether or not business enterprises or manufacturers in their jurisdiction are compliant with the mandates and directives of this Act. The LGU certification shall be a requirement for the renewal of any local permits, in addition to the DILG-DTI-DICT Joint Memorandum Circular No. 1, s. 2016, after the effectivity of this Act.

SEC. 15. NSWMC as the Lead Implementing Agency and Other Functions. — The NSWMC created pursuant to Section 4 of RA 9003 shall be the lead implementing agency for this Act. It shall aid and assist other agencies involved in the implementation and enforcement of this Act. It shall perform the following functions:

(a) Prepare the national strategic single-use plastic roadmap;

(b) Lead the R&D agenda preparation, conduct of researches and pilot-testing of identified alternatives, with DOST;

(c) Lead in the development of standards for inclusion in the Philippine National Standards (PNS) of the products, items or technologies resulting from studies which were pilot-tested, in coordination with DTI and DOST;

(d) Review and monitor the implementation of the Act; which includes:

(i) Monitoring local-level enforcement through the compilation of local-level ordinances on single-use plastics;

(ii) Conducting regular and routine inspections and monitoring of business enterprises and facilities of manufactures as prescribed under Section 12 of this Act;

(e) Adopt a program to provide technical and other capability building assistance and support to local government units, business enterprises, concerned citizen groups and other relevant stakeholders in the implementation and enforcement of this Act;

(f) Manage the Special Plastics Fund established under Section 21 of this Act;

(g) Develop safety nets and alternative livelihood programs for business enterprises, plastic manufactures, small recyclers and other sectors that will be affected as a result of the single-use phase out.
SEC. 16. Role of Local Government Units, and Other Stakeholders. – LGUs shall have the primary responsibility in the effort to decrease the percentage of plastic bag waste produced within their respective jurisdiction. They shall also be primarily responsible for the enforcement of the prohibitions of this Act and the monitoring of the collection of recyclable used plastic bags by manufacturers.

Other stakeholders such as business groups, consumer groups and civil society organizations are encouraged to support the implementation of this Act.

SEC. 17. LGU Ordinances. – LGU ordinances imposing bans and prohibitions on the use of plastic bags, promulgated and enforced prior to the effectivity of this Act, shall be considered as automatically amended in line with the provisions and mandates of this Act.

LGUs that do not have ordinances enacted upon the effectivity of this Act are also encouraged to enact their respective ordinances in line with the provisions and mandates of this Act.

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

SEC. 18. Public Information and Education Campaign. – The DENR, in coordination with the LGUs, DILG, DepEd, Commission on Higher Education (CHED), PCOO, and Philippine Information Agency (PIA), shall conduct a continuing information and education campaign on the proper regulation of single-use plastics in the country. Such campaign shall be incorporated in and shall be in addition to the public information and education campaign under Section 55 of RA No. 9003.

SEC. 19. Penalties and Sanctions. – Violations of this Act, starting the first year from the effectivity and as fully provided for under Section 3 of this Act, shall be imposed the following penalties:

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

(i) First offense – A fine of five thousand pesos (Php 5,000.00);
(ii) Second offense – A fine of twenty five thousand pesos (Php 25,000.00) and suspension of its business permit for three (3) months;
(iii) Third offense – A fine of fifty thousand pesos (Php 50,000.00) and suspension of its business permit for one (1) year; and
(iv) Fourth offense – A fine of one hundred thousand pesos (Php 100,000.00) and permanent suspension of its business permit. The said business permit shall not be eligible for renewed application for a period of 5 years. Thereafter, the LGU concerned may grant the said store with a business permit, provided its operator can show steps and measures will be put in place to comply with this Act. A further violation after the issuance of a new business permit shall
perpetually bar the said operator from conducting its business in the LGU concerned.

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

(i) First offense - A fine of fifty thousand pesos (Php 50,000.00);
(ii) Second offense - A fine of one hundred thousand pesos (Php 100,000.00) and suspension of its business permit for three (3) months;
(iii) Third offense - A fine of two hundred fifty thousand pesos (Php 250,000.00) and suspension of its business permit for one (1) year; and
(iv) Fourth offense - A fine of five hundred thousand pesos (Php 500,000.00) and permanent suspension for its business permit. The said business permit shall not be eligible for renewed application for a period of 5 years. Thereafter, the LGU concerned may grant the said store with a business permit, provided its operator can show steps and measures will be put in place to comply with this Act. A further violation after the issuance of a new business permit shall perpetually bar the said operator from conducting it business in the LGUs concerned.

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

SEC. 20. Administrative Sanctions. – Local government officials of government agencies who fail to comply with and enforce this Act shall be administratively charged in accordance with RA 7160 and other existing laws, rules and regulations.

SEC. 21. Special Fund for Single-use Plastics Regulation. – A Special Fund for Single-use Plastics Regulation (herein referred to as the Fund), to be administered by the NSWMC, is hereby created, to be composed of tariffs, levies, fees, and fines collected pursuant to the implementation and enforcement of this Act.

The Fund shall be used to support the strict implementation and enforcement of this Act as, but not limited to, the following:

(a) Strengthen the operations of the NSWMC relative to the implementation and enforcement of this Act;
(b) Improve the capacity of LGUs, and local law enforcement agencies for the implementation of this Act;
(c) Establish recycling centers or re-modelled business enterprise that exhibits best practices (as no single-use zones) in each region or province;
(d) Conduct an impact evaluation studies relevant to the implementation of the Act, especially on areas of economic contributions, environmental and public health (through the Department of Health);
(e) Conduct of information and education campaigns on single-use plastics regulation and related environmental awareness measures;

(f) Assistance and provision of incentives for manufacturers and community-based initiatives for the production of single-use plastics, as well as for nongovernment and civil society organizations promoting proper solid waste management; and

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

The Fund may be augmented by donations, endowments, grants and contributions, which shall be exempt from donor's tax and be considered as allowable deductions from the gross income of the donor, in accordance with the provisions of the National Internal Revenue Code of 1997, as amended.

SEC. 22. Access to Information/Public Disclosure Requirements, Public Access to Records, Reports or Notification. — The public shall have access to records, reports, or information concerning the implementation and mandates of this Act.

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

SEC. 23. Citizens Suit. — For the purposes of enforcing the provisions of this Act or its implementing rules and regulations, any citizen may file an appropriate civil, criminal, or administrative action in the proper courts/bodies against:

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

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

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

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

In the event that the citizen should prevail, the court shall award reasonable attorney's fees, moral damages and litigation costs as appropriate.
SEC. 24. Suits and Strategic Legal Action against Public Participation (SLAPP). – Where a suit is brought against a person who filed an action as provided in Section 22 of this Act, or against any person, institution or government agency that implements this Act or any other consumer related laws, rules, and regulations, it shall be the duty of the investigating prosecutor or the court, as the case may be, to immediately make a determination within not exceeding thirty (30) days whether said legal action has been filed to harass, vex, exert undue pressure or stifle such legal recourses of the person complaining or enforce the provisions of this Act. Upon determination thereof, evidence warranting the same, the court shall dismiss the case and award the attorney's fees and double damages.

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

SEC. 25. Appropriations. – Such amount as may be necessary to implement the provisions of this Act is hereby included in the annual appropriations of the DENR and other implementing agencies under the General Appropriations Act (GAA).

SEC. 26. Congressional Oversight Committee. – The Joint Congressional Oversight Committee created under Section 60 of RA No. 9003 shall also have the power to monitor and evaluate the implementation of this Act.

SEC. 27. Implementing Rules and Regulations. – The NSWMC, DENR, in coordination with the DTI, DILG, CCC and concerned government agencies and representatives of LGU organizations shall issue Implementing Rules and Regulations within one hundred (100) days after the effectivity of this Act. The said IRR shall specify and provide detailed provisions of this Act that needs further clarity in terms of scope, coverage and definitions.

SEC. 28. Construction. – The best interests of the consumer and the right to a healthful and balanced ecology shall be considered in the construction and interpretation of this Act and its IRR.

SEC. 29. Separability Clause. – If any provision of this Act is declared invalid or unconstitutional, the other provisions not affected by such declaration shall remain in full force and effect.

SEC. 30. Repealing Clause. – All laws, executive orders, administrative orders, and rules and regulations inconsistent with this Act are hereby repealed or amended accordingly.

SEC. 31. Effectivity Clause. – This Act shall take effect fifteen (15) days after its complete publication in the Official Gazette or in two (2) newspapers of general circulation.

Approved,