## REPUBLIC OF THE PHILIPPINES SEVENTEENTH CONGRESS First Regular Session



н.в. №.3579



### Introduced by REPRESENTATIVE GLORIA MACAPAGAL ARROYO

### AN ACT

REGULATING THE PRODUCTION, SALE, USE, RECOVERY, RECYCLING, AND DISPOSAL OF PLASTIC BAGS, PROMOTING THE USE OF REUSABLE BAGS, PROVIDING MECHANISM FOR THE RECOVERY, COLLECTION, AND DISPOSAL OF PLASTIC BAGS, AND FOR OTHER PURPOSES

#### **EXPLANATORY NOTE**

Circulating online are images and videos of wildfire contending with the tremendous amount of plastic invading their homes. Fish with plastic wrapper around their body, sea turtles with plastic in their noses, and even birds with their stomachs full of plastic bottle caps broke hearts and opened minds to the harmful effects of our consumer-driven society.

Our very own APO island in Negros, where sea turtles gather, have residents regularly cleaning up plastic garbage that wash up from ships and the mainland in order to protect the precious marine life in their area that bring livelihood through tourism.

According to the Earth Policy Institute based in Washington, D.C, United States, an estimated one trillion (1,000,000,000,000) single-use plastic bags are used each year, at a rate of almost two million per minute (2,000,000/min). Oftentimes immediately discarded, single-use plastic bags are found in landfills and have become a significant cause of water pollution. In addition, plastic bags that are burned adversely impact the environment and human health, given the level of toxic chemical content.

This bill aims to facilitate the transition to a complete prohibition of plastic bag use at pointof-sale stores, and mandate regulations for its production, collection, and proper disposal.

The immediate approval of this bill is urgently sought.

GLORIA MACAPAGAL ARROYO

2<sup>nd</sup> District, Pampanga

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## **HOUSE OF REPRESENTATIVES**

н.в. No. <u>357</u>9

## Introduced by REPRESENTATIVE GLORIA MACAPAGAL ARROYO

#### AN ACT

REGULATING THE PRODUCTION, SALE, USE, RECOVERY, RECYCLING, AND DISPOSAL OF PLASTIC BAGS, PROMOTING THE USE OF REUSABLE BAGS, PROVIDING MECHANISM FOR THE RECOVERY, COLLECTION, AND DISPOSAL OF PLASTIC BAGS, AND FOR OTHER PURPOSES

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

SECTION 1. Short Title. - This Act shall be known as the "Plastic Bag Phase-Out Act."

SECTION 2. Declaration of Policy. — It is hereby the declared the policy of the State to protect and promote the right of the people to a balanced and healthful ecology and the right to health. It is also hereby declared the policy of the State to protect the physical, moral and social well-being of its citizens by ensuring the use of non-toxic and non-hazardous materials in commerce and trade. Towards this end, the State shall regulate the manufacture, use, recycling, and disposition of plastic bags.

# SECTION 3. Definition of Terms. -As used in this Act, the following terms shall mean:

(a) Biodegradable plastic bag – a plastic bag that is made of compostable material and biodegrades through the action of naturally occurring microorganisms such as bacteria, fungi, and algae. Such plastic bags shall have a ninety percent (90%) biodegradation in less than 6 months where organic carbon is converted to carbon dioxide without leaving significant harmful residue.

This definition shall not include degradable bags (such as oxo-bio) which only break down into smaller pieces of plastic. Such degradable shall be considered as plastic bags as defined under this Act.

- (b) Consumer any person or group of persons who makes a purchase or completes a transaction in any point-of-sale store or establishment.
- (c) Manufacturer a duly accredited person, company, or association of companies in control of, or habitually engage in, the business or related business of manufacturing, producing, distributing, or redistributing plastic bags, as defined in the Act.
  - In the case of imported plastic bags, the manufacturer's representative or, in his absence, the importer shall be deemed the manufacturer for the purposes of this Act.
- (d) Operator a person or group of persons in control of, or having daily responsibility for the operations of the point-of-sale store.

- (e) Philippine National Standards the national standard approved by the Technical Committee under the Bureau of Products Standard of the Department of Trade and Industry (DTI).
- (f) Plastic bag a polymer bag or a bag made in whole or in part of polyethylene, polypropylene, and polycarbon, or other similar material, and designed to be provided or utilized at the point-of-sale store for carrying or transporting goods or items.

This definition includes single-carry-out bags.

- (g) Point-of-sale store any store, retail or wholesale establishment, kiosk, market stall, supermarket, side-walk or ambulant vendor stall, and other similar and analogous businesses that trade or sell goods, item, and merchandise, whether consumable or nonconsumable.
- (h) Recyclable paper carry-out bag a paper bag that meets all of the following requirements:
  - i) Contains no old growth fiber;
  - ii) Is one hundred percent (100%) recyclable overall and contains a minimum of forty percent (40%) postconsumer recycled material without lamination or wax;
  - iii) Is capable of composting and is biodegradable;
  - iv) Is acceptable for recycling in curbside program in majority of households that have access to such program;
  - Has printed on the bag the name of manufacturer, location where the bag was manufactured, and the percentage of postconsumer recycled material use; and
  - Displays the words "Please Recycle" in a highly visible manner on the outside of the bag.
- (i) Re-usable bag shopping bags specifically designed and manufactured for multiple reuse and meet all of the following requirements:
  - A minimum lifetime of one hundred twenty-five (125) uses, which for the purposes of this subsection means the capability of carrying a minimum of ten kilograms (10kg) one hundred twenty five (125) times over a distance of at least fifty meters (50 m);
  - Can contain a minimum volume of fifteen liters (15 L);
  - iii) Machine washable or capable of being cleaned and disinfected for reuse; and
  - iv) Contains no toxic or harmful substance or chemical such as but not limited to lead, cadmium, or any other heavy metals as provided for by existing rules and regulations by the Department of Environment and Natural Resources (DENR), or such other hazardous substances prohibited by pertinent government agencies or departments.

This shall include those made of materials such as cloth, cotton, pandan, cheese cloth, coco cloth, abaca, buri, water lily, and the like, and those made with recycled materials.

**SECTION 4.** *Scope.* – This Act shall apply to the manufacture, use, recycling, and disposal of all plastic bags used in trade or commerce, in all establishment, stores, outlets, point-of-sale areas, as well as cafeterias, canteens, and other food establishments in the Philippines.

SECTION 5. Exemptions. – Primary plastic packaging such as those used to pre-pack food items and primary packaging used in the manufacturing of finished products for sale in the general market shall be excluded from the prohibitions under this Act.

**SECTION 6.** Plastic Bag Prohibition. – Point-of-sale stores shall be prohibited from providing consumers with plastic and biodegradable plastic bags for purposes such as but no limited to carrying out transporting items or purchased products.

SECTION 7. Phase-out of Plastic Bags and Interim Regulations. – The prohibition in Section 6 on the use of plastic and biodegradable plastic bags shall be effective after one (1) year from the effectivity of this Act.

Prior to the effectivity of Section 6 under this Act, the following shall be enforced:

- (a) Point-of-sale stores shall be required to levy a minimum of five pesos (PHP 5) for each piece of plastic or biodegradable plastic bag to consumers who may request such bags, provided, that the point-of-sale store shall first inform the consumer of the levy;
- (b) The amount collected in subparagraph (a) of this Section by the point-of-sale store shall be reflected in the official receipt. Fifty percent (50%) of the said amount shall be kept by the pointof-sale store to cover the cost of the said bags, while fifty percent (50%) of the said amount shall be remitted to the local government unit (LGU) with jurisdiction over the store to be deposited in the Special Environment Fund created under this Act;

At the end of the one (1) year period from the effectivity of this Act, the further and continued use of plastic and biodegradable plastic bags shall be strictly prohibited. Only reusable bags and recyclable paper carry-out bags may be provided at all point-of-sale stores and other covered establishments.

SECTION 8. Collection, Recycling, and Disposal of Plastic and Biodegradable Plastic Bags. — Point-of-sale stores with a retail space over one hundred square meters (100 m²) shall be the designated collection points of used plastic and biodegradable plastic bags, including those manufactured prior to the effectivity of this Act.

Within sixty (60) days after the effectivity of this Act, operators of such point-of-sale stores are required to establish an in-store recovery program that shall primarily give consumers an opportunity to turn over used plastic bags, regardless of the origin of the bag, and other plastic wastes.

In-store recovery programs shall be required to ensure the following:

- (a) A clearly marked plastic and biodegradable plastic bag recovery bin shall be placed at each pointof-sale store and shall be visible and easily accessible to the consumers;
- (b) All plastic and biodegradable plastic bags recovered by the point-of-sale store shall be collected and whenever practicable, shall be recycled by the store;
- (c) Point-of-sale stores shall maintain records describing the recovery, collection, transport, and whenever applicable, recycling and disposal of plastic and biodegradable plastic bags, and make this information accessible to the DENR and the LGU, and shall be required to turnover such information on an annual basis to the DENR;
- (d) All plastic and biodegradable plastic bags collected and not recycled, shall be collected and transported by the LGU from the point-of-sale store to proper collection and disposal facilities in

a manner consistent with existing laws, rules, and regulations, ensuring that no harmful chemicals or substances are released in the environment.

SECTION 9. Proper Disposal and Management of Plastic Waste. - The disposal and management of plastic waste shall be done in accordance and pursuant to the provision of Republic Act No. 9003 or the Ecological Solid Waste Management Act.

The DENR, in coordination with the Department of Science and Technology (DOST), shall develop to 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.

SECTION 10. Incentives for the Manufacture of Reusable Bags. — The DTI, in coordination with DENR, shall provide technical and financial assistance to the manufacturers of reusable bags.

Individuals, cooperatives, partnerships, and corporations which engage in the manufacture of reusable bags 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, or the Omnibus Investment Code of 1987, where applicable.

LGUs are encouraged and shall be allowed to provide additional benefits and incentives to manufacturer of reusable bags within their jurisdiction, 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 the new laws, rules, and regulations in the future.

SECTION 11. Program for Affected Employees and Workers of the Plastic Industry. – The Department of Labor and Employment (DOLE), in coordination with DTI, shall conduct studies to determine the impact of this Act on affected plastic industry employees and workers.

They shall develop a program for alternative livelihood opportunities, in coordination with Technology Education and Skills Department Authority (TESDA), plastic manufacturers, non-government and civil society organizations and institutions, for employees and workers in areas such as recycling or used plastic products and cottage industries for the manufacture of reusable bags among others.

SECTION 12. Support for Affected Plastic Manufacturers. — DTI, through the board of investments, shall develop benefits and programs to assist affected plastic manufacturers to buffer the impact of this Act on their industry, by creating incentives to facilitate their transition into the provision of goods and services that will support the implementation of this Act, such as but not limited to the manufacturing of recyclable paper carry-out bag, and/or reusable bags.

**SECTION 13.** Labelling Requirements. – Plastic and biodegradable and plastic bags, reusable bags, and recyclable paper carry-out bags as defined under this Act shall be appropriately labelled to be biodegradable, non-biodegradable, or recyclable as the case may be.

Labels shall include the name of the manufacturer, the location where the bag was manufactured, percentage of postconsumer recycled material used, and indication of the materials, chemicals, and substances used to manufacture the said product.

This shall also comply with any rules or regulations or product labelling as required by the Republic Act no. 7494, or the Consumer Act of the Philippines.



The DENR, in coordination with the DTI, shall determine the proper manner of labelling, and shall periodically review the same. In addition, the DTI shall certify as true and correct the labels used by manufacturers, and only those product with the proper certification shall be allowed into the market.

Violators of this section shall be meted the same penalties as those provided for mislabelled or improperly labelled products in Republic Act No. 7394. In addition, products not properly labelled shall not be allowed into the market and shall be confiscated by the authorities concerned.

SECTION 14. Compliance with the Philippine National Standard (PNS). – Products and items referred to in this Act such as plastic bags, reusable bags, shall comply with the rules and processes of the Bureau of Product Standards of the DTI in collaboration with other relevant government agencies such as the DOH and DENR to harmonize and upgrade with existing standards, where applicable.

**SECTION 15.** Monitoring and Market Inspections. – The DENR and DTI, in coordination with the LGUs and local law enforcement agencies, shall cause the regular and routine inspection and monitoring of point-of-sale stores and facilities of plastic manufacturers to determine compliance with this Act. Inspection and monitoring shall include the following:

- (a) Entry or access to the premises of operation and business, including storage rooms and stockrooms;
- (b) Inspect off-site storage facilities, distribution centers, and transhipment points; and
- (c) Inspect sanitary landfills to determine if only residual plastic products are being disposed of.

**SECTION 16.** Certification. – Manufacturers of reusable bags and recyclable paper carry-out bags shall be required to undergo a certification process for a reasonable fee with the DTI that shall ensure that their products meet the standards set for these products.

DTI shall provide system to submit and process certifications online, and shall publish a list on its website containing the name, location, and appropriate contact information of compliant manufacturers of reusable bags, and recyclable paper carry-out bags, and paper bags.

Point-of-sale stores shall be required to display the valid certificate of the manufacturer of the bags that they provide consumers.

The said certification shall be a requirement for the renewal of any local permits after the effectivity of this Act.

SECTION 17. Lead Implementing Agency. – DENR shall be the lead implementing agency for this Act, and shall be closely coordinate with the pertinent government agencies involved with the implementation of this Act, and such other agencies and non-government organizations and institutions for other programs consistent with the goals and of this Act.

SECTION 18. Role of the National Solid Wasted Management Commission. — The National Solid Waste Management Commission (NSWMC), created pursuant to section 4 of Republic Act No. 9003 shall, in addition to its functions under the said law, aid and assist in the implementation and enforcement of its Act.

The NSWMC is hereby mandated to conduct studies to ensure the harmonious implementation of this Act with the Republic Act No. 9003.

DENR is hereby mandated and directed to provide the necessary financial and manpower resources to enable the NSWMC to perform its additional functions this Act.

SECTION 19. Role of the Department of Science and Technology. – DOST shall conduct studies to determine the proper and environmentally acceptable kinds of biodegradable plastic and paper bags. It shall include in the PNS the specification of the said products, taking into consideration existing and available best technologies and internationally mandated and accepted standards, in accordance with the provisions, mandates and standards of this Act.

DOST, in coordination with the National Ecology Center, shall provide the LGUs with technical assistance, trainings, and continuing capacity-building programs to attain the objective of this Act.

DOST shall also provide assistance to the DENR and the manufacturers for the implementation of this Act, particularly as regards the proper recycling and disposal of used plastic bags, and developing more environmentally friendly types of plastic used a primary packaging materials, among others.

**SECTION 20.** Role of LGUs and others Stakeholders. — LGUs shall have the primary responsibility in the effort to decrease the percentage of plastic bag wasted produced within their respective jurisdictions. They shall also be primarily responsible for the enforcement of the prohibitions of this Act and the monitoring of the collection of recyclable plastic bags by manufacturers.

Other stakeholders, such as but not limited to business groups, consumer groups and civil society organizations, are encouraged to support the implementation of this Act.

The composition of the NSWMC under Republic Act No. 9003 is hereby expanded to include a member from the private sector, a representative from the cottage industry and manufacturers of reusable and recyclable bags.

SECTION 21. Effect on LGU Ordinances Effective Before or After the Effectivity of this Act. – LGU ordinances in relation to this Act, such as bans and prohibitions on the use of plastic bags, promulgated and enforced prior to the effectivity of this Act shall remain valid and subsisting. The said LGUs are encouraged to amend their respective ordinances to be in line with the provisions and mandates of this Act.

LGUs that do not have ordinances enacted upon effectivity of this Act are also encouraged to enact their respective ordinances to complement and implement the provisions and implementation 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 this Act.

SECTION 22. Information and Education Campaign. – The DENR, in coordination with the LGUs, DILG, DepEd, CHED, and Public Information Agency, shall conduct a continuing information and education campaign on the proper regulation of plastic bags 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 Republic Act No. 9003.

SECTION 23. Penalties and Sanctions. — Violations of this Act shall be imposed the following penalties:

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

First offense - a fine of five thousand pesos (PHP 5,000);

Second offense - a fine of twenty-five thousand pesos (PHP 25,000) and suspension of its business permit for three (3) months;

Third offense – a fine of fifty thousand pesos (PHP 50,000) and suspension of its business permit for one (1) year; and

Fourth offense — A fine of one hundred thousand pesos (PHP 100,000) and permanent suspension of its business permit. The said business permit shall not be eligible for renewed application for a period of five (5) years. Thereafter, the LGU concerned may grant the said store with a business permit, provided its operator can show that 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:

First offense - a fine of fifty thousand pesos (PHP 50,000);

Second offense – a fine of one hundred thousand pesos (PHP 100,000) and suspension of its business permit for three (3) months;

Third offense – a fine of two-hundred fifty thousand pesos (PHP 250,000) and suspension of its business permit for one (1) year; and

Fourth offense – a fine of five-hundred thousand pesos (PHP 500,000) and permanent suspension of its business permit. The said business permit shall not be eligible for renewed application for a period of five (5) years. Thereafter, the LGU concerned may grant the said store with a business permit, provided its operators can show that 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 business in the LGU concerned.

If the offender in (a) or (b) in this provision 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.

SECTION 24. Administrative Sanctions. — Local government officials and officials of government agencies concerned who fail to comply with and enforce this Act shall be administratively charged in accordance with Republic Act No.7160 and other existing laws, rules, and regulations.

SECTION 25. LGU Special Environmental Fund for Plastic Bag Regulation. — There is hereby created a Special Environmental Fund for Plastic Bag Regulation, hereinafter referred to as the Fund, to be composed of levies, fees, and fines collected pursuant to the implementation and enforcement of this Act.

The Fund shall be exclusively used for the following:

- (a) Improve the capacity of LGUs, and local law enforcement agencies for the implementation of this Act;
- (b) Conduct of information and education campaigns on plastics bags regulation and related environmental awareness measures;

- (c) Assist and provide incentives for manufactures and community-based initiatives for the product of native reusable bags, as well as for non-government and civil society organizations promoting proper solid waste management; and
- (d) Additional provisions for the Solid Waste Management Fund under Republic Act No.9003.

**SECTION 26.** Access to Information. – 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 normal business hours; provided that the DENR or concerned LGU may consider a record, report or information or particular portions thereof confidential and may not be made public 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.

SECTION 27. 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 falls 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 wilfully 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-day (30) 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.

SECTION 28. Suits and Strategic Legal Action Against Public Participation. — Where a suit is brought against a person who filed an action as provided in Section 28 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 resources of the person complaining or enforcing 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.

SECTION 29. Congressional Oversight Committee. – The Joint Congressional Oversight Committee created under Section 60 of Republic Act No. 9003 shall also have the power to monitor and evaluate the implementation of this Act.

**SECTION 30.** 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 implementing rules and regulations.

**SECTION 31.** Appropriations. – Such amount as may be necessary to implement the provision of this Act is hereby included in the annual appropriations of the DENR and other implementing agencies under the General Appropriations Act (GAA).

**SECTION 32.** *Implementing Rules and Regulations.* – Within sixty (60) days from the effectivity of this Act, DENR, in coordination with DTI, DILG, and concerned government agencies and representatives of LGU organizations shall promulgate the necessary implementing rules and regulations for the effective implementation of this Act.

**SECTION 33.** Separability Clause. — Should any provision herein be declared unconstitutional, the same shall not affect the validity of the other provisions of this Act.

**SECTION 34.** Repealing Clause. – All laws, decrees, orders, rules, and regulations or other issuances or parts inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SECTION 35. Effectivity. – This Act shall take effect fifteen (15) days after publication in the Official Gazette or in any two (2) newspapers of general circulation in the Philippines.

Approved,