

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SIXTEENTH CONGRESS

Second Regular Session

House Bill No. **5247**



Introduced by Hon. Delphine Gan Lee

EXPLANATORY NOTE

The late University of Michigan management professor CK Prahalad praised the value of sachet packaging in his bestselling book, *The Fortune at the Bottom of the Pyramid: Eradicating Poverty through Profits*. Sachet packaging of small amounts of consumer products such as soap, shampoo, toothpaste, and conditioner allows those with less income to afford these products instead of the more expensive, typically higher volume packaged bottles and containers in the more industrialized countries.

Sachet packaging, usually made of a thin film of plastic and aluminum in a sandwich laminate form, has gained ground in many of the poor market segments and has allowed manufacturing giants to gain market share and profits. This packaging technology also paved the way for the poor to enjoy quality products such as shampoos, toothpastes, lotions, and condiments from these global giants, products which were previously not viable with the ordinary bottle and container packaging.

There is no debate that sachets have given better quality products to poorer communities. The issue is that they have become a nearly unmanageable waste problem. Municipal waste volumes are projected to grow worldwide as adoption of these sachet products increases. In the Philippines for instance, the Asian Development Bank and the Department of Environment and Natural Resources jointly concluded that if current trends continue, the country will need 200 new landfills the size of a current Manila landfill by the year 2020. Estimates vary, but the factor of 0.7 kg per person in the metropolitan Manila area

is being used, with a daily output of roughly 22,000 tons per day of municipal garbage expected to grow to 28,000 tons per day in the next decade.

Since there is no economic incentive to recover thrown and used sachets that have been improperly dumped, people do not pick them up. This is very much different in the case of a large plastic bottle that might be sold for a peso or two once collected and returned for its deposit. Once thrown away, these sachets clog drains and contribute to problem of flooding in the cities. Sachets are also unsightly, littering the cities and the countryside with the brand names of the multinational corporations. Sachets also undermine the idea of recycling. A lot of people will pick up large soft drink or shampoo PET bottles and segregate these for recycling. However, used sachets, coated with used product such as shampoo, will not be physically segregated by consumers even if they contain plastic and metal film. They end up as trash at the end of the day and usually find themselves in landfills where they do not really biodegrade.

This is critical especially in developing countries like the Philippines where urbanization is taking hold quickly. The sachet business model is successful and it has proved it works on one level, but we need to address the problem of waste sustainability. This bill seeks to ensure that sachets should only be made of biodegradable or recyclable materials as approved by the Department of Environment and Natural Resources. For all of these reasons, the immediate passage of this bill is earnestly requested.


HON. DELPHINE GAN LEE
Representative, AGRI Party-List

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AN ACT
REQUIRING THE USE OF RECYCLABLE OR BIODEGRADABLE
MATERIALS FOR THE PRODUCTION OF SACHETS

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

SECTION 1. *Short Title.* – This shall be known as the “Biodegradable Sachets Act of 2014.”

SECTION 2. *Declaration of Policies.* – It is hereby declared the policy of the State to ensure conservation and preservation of our natural environment. The use of recyclable and biodegradable materials is hereby required in the packaging process of small amounts of consumer goods.

SECTION 3. *Definitions.* – As used in this Act, the following terms shall be defined as follows:

- (a) Biodegradable – shall mean the quality of being organically assimilated or capable of being decomposed by bacteria or other living organisms in a natural setting;
- (b) Sachet – shall refer to a packet or a small disposable container made from plastic, foil, mylar, or other similar material used to contain single-use quantities of food or other consumer goods;
- (c) Recyclable – shall mean the quality of material which makes it useful to be used again in any manufacturing process.

1 SECTION 4. ***Requirement of using biodegradable or recyclable materials in making***
2 ***sachets.*** – Within two (2) years from the effectivity of this Act, all manufacturers who offer
3 consumer goods for sale packaged in sachets shall ensure that such packaging materials are
4 made of recyclable or biodegradable materials.

5 SECTION 5. ***Incentives for businesses.*** – Any business or non-business entity which
6 shall comply with the provisions of this Act in using recyclable or biodegradable materials
7 for the packaging of consumer goods shall enjoy a tax deductibility privilege on its income
8 tax to the extent of the proven cost of the recyclable or biodegradable material as used in its
9 production process.

10 SECTION 6. ***Implementing Rules and Regulations.*** – The Secretary of the
11 Department of Environment and Natural Resources shall promulgate the needed
12 implementing rules and regulations to effectively carry out the purpose of this Act within
13 sixty (60) days from the effectivity date of this Act.

14 SECTION 7. ***Educational campaign at all levels.*** - The Department, in cooperation
15 with the Department of Education, the Commission on Higher Education, and the Philippine
16 Information Agency shall launch and pursue a nationwide educational campaign to:

- 17 (a) help realize the policies and implement the provisions of this Act;
18 (b) promote the use of recyclable and biodegradable sachets; and
19 (c) help report any violation of this Act.

20 SECTION 8. ***Penalties.*** – The Secretary may impose a minimum fine of FIFTY
21 THOUSAND PESOS (P50,000.00) and a maximum fine of ONE MILLION PESOS
22 (P1,000,000.00) for every violation of this Act. For purposes of this Act, each sachet that
23 does not comply with the requirement of biodegradability or recyclability withdrawn from the
24 production facility of a manufacturer shall constitute one (1) count of violation of this Act.

25 SECTION 9. ***Implementing Rules and Regulations.*** – The Secretary shall adopt rules
26 and regulation to implement the provisions of this Act within ninety (90) days from the date
27 of effectivity of this Act.

1 SECTION 10. *Separability Clause.* - If any provision of this Act or the application of
2 such provision to any person or circumstance is declared invalid, the remainder of the Act or
3 the application of such provision to other persons or circumstances shall not be affected by
4 such declaration.

5 SECTION 11. *Repealing Clause.* – Any law, presidential decree or issuance,
6 executive order, letter of instruction, administrative order, rule or regulation contrary to or
7 inconsistent with this Act is hereby repealed, modified, or amended accordingly.

8 SECTION 12. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after
9 its publication in at least two (2) newspapers of general circulation.

Adopted,