

**Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila**

**SEVENTEENTH CONGRESS
FIRST REGULAR SESSION**

House Bill No. 8853



INTRODUCED BY **Rep. GREG G. GASATAYA**

EXPLANATORY NOTE

One of the duties of the Philippine legislative body is to ensure public safety, protect the populace from hazardous products, and promote the right to health and instill health consciousness. Furthermore, Article II, Section 16 of the 1987 Philippine Constitution poses that the State shall protect and advance the right of the people to a balanced and healthful ecology in accord with the rhythm and harmony of nature.

Due to rapid economic growth, improved quality of life, and reduced poverty, demand for consumer products has increased over the years. The low cost and convenience of using plastic makes it as the go-to material in the manufacturing, production, and packaging of consumer products. With the increased usage of plastic by both manufacturers and consumers, plastic waste has become incommensurate with the current waste disposal infrastructure of the country.

A 2015 report on plastic pollution conducted by the international group Ocean Conservancy and McKinsey Center for Business and Environment ranked Philippines as the third (3rd) biggest source of plastic leaking into the oceans despite having the highest trash collection rates in Asia due to irresponsible haulers dumping their hauls on the way to dumpsites to cut costs. Because of this, of the 2.7 million metric tons of plastic garbage collected per year, 20% or 521,000 metric tons leaks into the ocean and waterways around the country.

As plastic is oftentimes discarded immediately, it has become one of the most common causes of clogging in sewerage and drainage systems especially in cities. During an instance of massive rainfall in 2018, flooding occurred in this representation's district despite the city-wide flood control project. Upon conducting an investigation, this representation personally found plenty of plastic garbage clogged in the sewers and waterways of the district due to improper disposal.

With our dependence in agriculture, plastic pollution also poses a grave threat in our food security. Disaster risks and hazards arising from plastic pollution may put farms at risk of flooding resulting in wastage of agricultural products along with its threats to a balanced

ecology. Microplastics leaked in our bodies of water may also put public health at risk as it gets into our food chain.

As such and pursuant to the intentions of Republic Act No. 9003 otherwise known as the Solid Waste Management Act of 2000, approval of this Bill is earnestly sought.

A handwritten signature in black ink, appearing to read 'Greg G. Gasataya', with a stylized flourish at the end.

REP. GREG G. GASATAYA
Lone District of Bacolod City

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

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

SECTION 1. *Short Title.* – This Act shall be known as the “Single-use Plastic Product Regulation Act of 2018.”

SECTION 2. *Declaration of Policy.* – It is hereby declared a 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.

SECTION 3. *Definition of Terms.* – For purposes of this Act, the following terms shall refer to and/or mean as hereunder defined:

- a. Business enterprises – refers 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, and community-based business enterprises;
- b. Consumer – refers to a person who is a purchaser, lessee, recipient, or prospective purchaser, lessor, or recipient of consumer products, services, or credit;
- c. Disposal – refers to the discharge, deposit, dumping, spilling, leaking, or placing of waste into or on land or bodies of water;

- d. Incentives – refers to incentives provided for and as defined in Republic Act No. 9178, otherwise known as the Barangay Micro-Business Enterprise Act of 2002, Republic Act No. 9501, otherwise known as the Magna Carta for Micro, Small, and Medium Enterprises, Republic Act No. 10771, otherwise known as the Green Jobs Act of 2016, Executive Order No. 226, otherwise known as the Omnibus Investment Code of 1987, or as defined by concerned local government units through legislation specifically for this purpose, where applicable;
- e. Plastic – refers to a lightweight, resistant, and synthetic material made from a wide range of organic polymers which can be molded into a variety of forms depending on purpose or utility;
- f. Recycling – shall refer to the treatment of used or waste materials through a process of making them reusable or transforming them into new products or raw materials for the production of other goods and/or services;
- g. Retailer – refers to a person engaged in the business of selling products directly to consumers;
- h. Reusable material – refers to any material specifically designed or manufactured for multiple usage. Reusable materials shall meet the following conditions:
 - 1. May be capable of composting and is biodegradable;
 - 2. Recyclable;
 - 3. Does not contain any toxic or harmful substance or chemical such as but not limited to lead, cadmium, or any other substance or chemical as provided by existing rules and regulations of the Department of Environment and Natural Resources (DENR).
- i. Single-use plastic – refers to disposable plastics which are commonly used for packaging and include items intended to be used only once before disposal or recycling. These include but are not limited to items such as grocery bags, food packaging films and bags, bottles, straws, stirrers, containers, styrofoam, cups, sachets, and cutlery.

SECTION 4. *Prohibition of Single-use Plastics and Levy for the Use in the Interim Period.* –

The prohibition of single-use plastics by all business enterprises shall be in full force and effect one (1) year from the effectivity of this Act. In the interim period, the following shall be enforced:

- a. Prohibition on the issuance of single-use plastics by food establishments, stores, markets, and retailers;
- b. Diversion of consumers to usage of reusable materials in substitution of single-plastics;

- c. Collection, recycling, and disposal by manufacturers of single-use plastics manufactured and/or in circulation in the general market;
- d. Recycling of unavoidable single-use plastics by manufacturers;
- e. For each piece of single-use plastics already manufactured, in circulation, and for use in transaction, retailers shall charge the consumer a minimum levy of (Php 5.00);
- f. The amount collected in subparagraph (e) of this Section by retailers shall be reflected in the official receipt. Twenty percent (20%) of the said amount shall be kept by the business enterprise to cover the cost of the single-use plastics, while eighty percent (80%) shall be remitted quarterly to the Special Fund created under this Act;
- g. A discount of five pesos (Php 5.00) shall be given to consumers that bring their own containers for take-outs and purchase of food and beverages.

At the end of the one (1) year interim period, single-use plastic provision by all business enterprises and use by consumers shall be strictly prohibited.

SECTION 5. *Prohibition on the Importation of Single-use Plastics.* – Importation of single-use plastics shall be prohibited. Tariffs shall be correspondingly imposed by the Tariff Commission and collected by the Bureau of Customs.

SECTION 6. *Recycling of Used Single-use Plastics.* – All used single-use plastics as allowed by this Act shall be recycled. It shall be the duty of single-use plastic manufacturers to collect, recycle, dispose and keep records of the said single-used plastics in a manner consistent with Republic Act No. 9003 and existing laws, rules, and regulations. The minimization or absence of negative externalities in the process shall likewise be ensured by the manufacturers.

SECTION 7. *Research and Development for Alternatives.* – The Department of Science and Technologi (DOST) shall include in their respective programs and Research and Development Agenda and fund research on single-use plastic alternatives.

SECTION 8. *Program for Affected Employees and Workers.* – Upon the effectivity of this Act, research and technology development initiatives, pilot-testing of innovations and technologies resulting from the studies with the assistance of the DOST, and capacity-building activities shall be undertaken with plastic-manufacturing industries and business enterprises for them to adopt these technologies.

The DOST, the Department of Labor and Employment (DOLE), and the Technical Education and Skills Development Authority (TESDA), with the help of Local Government Units (LGUs) shall provide capacity building programs, technical assistance, and trainings to relevant stakeholders.

SECTION 9. *Incentives for Shifting to Alternatives.* – 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 Republic Act No. 9178, otherwise known as the Barangay Micro-Business Enterprise Act of 2002, Republic Act No. 9501, otherwise known as the Magna Carta for Micro, Small, and Medium Enterprises, Republic Act No. 10771, otherwise known as the Green Jobs Act of 2016, and Executive Order No. 226, otherwise known as the Omnibus Investment Code of 1987.

SECTION 10. *Certification, Monitoring, and Inspection.* – The Department of Trade and Industry (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.

The LGUs concerned, after the conduct of a thorough inspection, shall issue a certificate indicating whether or not business enterprises in their jurisdiction are compliant to this Act. The certification shall be a requirement for the renewal of local permits.

SECTION 11. *Information and Education Campaign.* – The DENR, in coordination with LGUs, the Department of Education (DepEd), and the Commission on Higher Education (CHED), and the Philippine Information Agency (PIA), shall conduct a public information and education campaign on the proper regulation of single-use plastics in the country.

SECTION 12. *Penalties and Sanctions.* – Any violation of this act shall be imposed the following penalties:

- a. For Business Enterprises, Micro, Small, and Medium Enterprises as defined in Republic Act No. 6977, as amended, Barangay Micro Business Enterprises under Republic Act No. 9178, and all other enterprises and establishments not otherwise value-added tax (VAT) registered:
 1. First Offense – A fine of ten thousand pesos (Php 10,000.00);
 2. Second Offense – A fine of thirty thousand pesos (Php 30,000.00) and suspension of business permit for six (6) months;
 3. Third Offense – A fine of fifty thousand pesos (Php 50,000.00) and suspension of its business permit for one (1) year; and
 4. Fourth Offense – A fine of one hundred thousand pesos (Php 100,000.00) and revocation of business permit and ineligibility for application of business permit for a period of five (5) years.

Any further violation of this Act shall perpetually bar the operator from conducting its business in the LGU concerned.

- b. For VAT registered enterprises, establishments, and stores, and for all plastic manufacturers found violating this Act, the following penalties shall be imposed:
 1. First Offense – A fine of one hundred thousand pesos (Php 100,000.00);

2. Second Offense – A fine of two hundred and fifty thousand pesos (Php 250,000.00) and suspension of business permit for six (6) months;
3. Third Offense – A fine of five hundred thousand pesos (Php 500,000.00) and suspension of its business permit for one (1) year; and
4. Fourth Offense – A fine of one million pesos (Php 1,000,000.00) and revocation of business permit and ineligibility for application of business permit for a period of five (5) years.

Any further violation of this Act shall perpetually bar the operator from conducting its business in the LGU concerned.

Local government officials and officials of government agencies 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 13. *Special Fund.* – A Special Fund for Single-use Plastic Regulation, hereinafter referred to as the Fund, to be administered by the DENR, is hereby created to be composed of tariffs, levies, fees, and fines collected pursuant to this Act.

The fund shall be used exclusively for the following:

- a. Capacity-building of LGUs and local law enforcement agencies for the purposes of this Act;
- b. Establishment of recycling centers;
- c. Information and education campaigns relative to Section 11 of this Act;
- d. Assistance and incentives for manufacturers and community-based initiatives for the reduction of single-use plastics, as well as for non-government and civil society organizations promoting proper solid waste management;
- e. Capacity building programs, technical assistance, and trainings to relevant stakeholders, relative to Section 8 of this Act; and
- f. Additional provisions for the Solid Waste Management Fund under Republic Act No. 9003.

The fund may be augmented by donations, endowments, grants, and contributions which shall be subject to the provisions of the National Internal Revenue Code of 1997, as amended.

SECTION 14. *Access to Information and Public Disclosure.* – The public shall have access to records, reports, or information concerning the implementation and mandates of this Act, provided that the DENR or concerned LGU may consider a record, report, or information or portions thereof confidential when such would be of adverse effect to the competitive position of a manufacturer, seller, or distributor.

SECTION 15. *Appropriations.* – Such amount that may be necessary to carry out the provisions of this Act shall be included in the annual appropriations of the DENR and other implementing agencies under the General Appropriations Act.

SECTION 16. *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 17. *Implementing Rules and Regulations.* – The DENR, in coordination with the DTI, DILG, Climate Change Commission (CCC) and other concerned government agencies and representatives of LGU organization shall issue the necessary Implementing Rules and Regulations within one hundred (100) days after the effectivity of this Act.

SECTION 18. *Separability Clause* – If any part or provision of this Act is held invalid or unconstitutional, other provisions not affected thereby shall remain in full force and effect.

SECTION 19. *Repealing Clause.* — Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule or regulation contrary to, or inconsistent with the provisions of this Act is hereby repealed, modified or amended accordingly.

SECTION 20. *Effectivity.* — This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in at least two (2) newspapers of general circulation.

APPROVED,



REP. GREG G. GASATAYA
Lone District of Bacolod City