



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



**TWENTIETH CONGRESS**  
First Regular Session

House Bill No. 5069

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Introduced by **Representative KATRINA REIKO CHUA - TAI**  
*1<sup>st</sup> District, Zamboanga City*

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### **EXPLANATORY NOTE**

The Philippines faces significant environmental challenges due to unsustainable practices. Growing landfill waste, plastic pollution, frequent flooding, and marginalized communities highlight the urgent need for action.

Our present challenge is the linear economy, which extracts, produces, and disposes of resources without regard for limits or future needs. This approach is no longer sustainable.

According to the World Bank, the Philippines generates over 61,000 metric tons of solid waste daily, with minimal recovery or recycling. Most of our waste pollutes ecosystems, threatens wildlife, and contributes to the climate crisis, impacting development, justice, and the nation's future.

A new approach is needed. The circular economy offers a sustainable solution by designing durable products, reusing materials, and treating waste as a resource.

This bill proposes the establishment of the Philippine Circular Economy Act of 2025, which provides a framework for a just and sustainable economic transformation. It introduces a National Circular Economy Strategy, empowers Local Government Units to develop localized action plans, and strengthens Extended Producer Responsibility under RA 11898. The Act sets national targets for waste reduction, material recovery, and emissions, and creates a fund to support startups, MSMEs, and marginalized communities. It promotes digital transparency, integrates circular principles into education and workforce development, and aligns with international frameworks. The Act also encourages public education and advocacy to foster a culture of responsible consumption. It is an act of healing, not just for our ecosystems, but for our communities and future generations. It honors the Filipino values of pagkakaisa, bayanihan, and malasakit.

Passing this measure affirms the Philippines' leadership in climate action, innovation, and environmental justice. It demonstrates a commitment to responsible and sustainable development, and to building a just, green, and thriving future for all.

**IN VIEW OF THE FOREGOING, immediate passage of this bill is earnestly sought.**

A handwritten signature in black ink, appearing to read 'K. Reiko Chua-Tai', with a long, sweeping flourish extending to the right.

**KATRINA REIKO CHUA - TAI**



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1 **AN ACT**  
2 **INSTITUTIONALIZING THE CIRCULAR ECONOMY FRAMEWORK TO**  
3 **PROMOTE SUSTAINABLE RESOURCE MANAGEMENT, WASTE REDUCTION,**  
4 **AND GREEN INNOVATION, AND FOR OTHER PURPOSES**

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

7 **SECTION 1. *Short Title.*** - This Act shall be known as the “Philippine Circular  
8 Economy Act.”

9 **SECTION 2. *Declaration of Policy.*** - It is the policy of the State to promote  
10 sustainable economic development through responsible consumption and production. The State  
11 recognizes the need to shift from a linear economy to a circular economy, where resources are  
12 used efficiently, waste is minimized, and materials are continuously reused, repaired, and  
13 recycled.

14 Further, the State shall encourage innovation, green technologies, and public-private  
15 partnerships, promote circular business models and the creation of green jobs, mandate  
16 accountability through Extended Producer Responsibility (EPR), recognize the critical role of  
17 local government units (LGUs) in implementation, integrate circular economy goals into  
18 national and local climate change policies, and support behavior change, public awareness, and  
19 education.

20 Circular economy development shall be aligned with the Philippine Nationally  
21 Determined Contributions (NDCs) under the Paris Agreement and international obligations,  
22 including the UN Sustainable Development Goals (SDGs), ASEAN Framework on Circular  
23 Economy, and the Basel Convention.

24 **SECTION 3. *Definition of Terms.*** - As used in this Act, the following terms shall be  
25 defined as follows:

26 **“Circular Economy”** shall refer to an economic system aimed at eliminating waste and  
27 promoting continual resource use through reuse, repair, remanufacture, recycling, and  
28 sustainable product design.

1        **“Circular Economy”** shall refer to an economic system aimed at eliminating waste and  
2 promoting continual resource use through reuse, repair, remanufacture, recycling, and  
3 sustainable product design.

4        **“Linear Economy”** shall refer to a traditional economic model based on a take-make-  
5 dispose approach.

6        **“Extended Producer Responsibility (EPR)”** shall refer to a policy requiring producers  
7 to be responsible for the entire lifecycle of their products, especially take-back,  
8 recycling, and disposal.

9        **“Green Innovation”** shall refer to the development and implementation of products,  
10 processes, or practices that reduce environmental impact and support sustainability.

11       **“Circularity Metrics”** shall refer to the quantitative indicators measuring material  
12 recovery, waste reduction, emissions avoided, and job creation from circular practices.

13        **SECTION 4. National Circular Economy Strategy (NCES).** – The Department of  
14 Environment and Natural Resources (DENR), in coordination with the Department of Trade  
15 and Industry (DTI), Department of Science and Technology (DOST), TESDA, CHED, DOLE,  
16 NEDA, and other relevant agencies, shall formulate and implement a National Circular  
17 Economy Strategy (NCES) within twelve (12) months from the effectivity of this Act.

18        The NCES shall include:

- 19           • Sectoral roadmaps (plastics, construction, electronics, food, agriculture);
- 20           • National circularity targets, including:
  - 21               • Minimum 60% material recovery by 2030,
  - 22               • 50% waste diversion from landfills by 2030,
  - 23               • Industry-level reporting of circularity performance;
- 24           • Integration with Local Climate Change Action Plans (LCCAPs) and NDCs;
- 25           • Guidelines for sustainable public procurement;
- 26           • Local Government Unit implementation toolkits;
- 27           • A monitoring framework with key performance indicators;
- 28           • A platform for multi-stakeholder collaboration.

29        **SECTION 5. Local Government Integration.** – LGUs shall play a central role in  
30 implementing circular economy policies through:

- 31           • Development of Local Circular Economy Action Plans (LCEAPs) aligned with  
32 the NCES;
- 33           • Adoption of circular principles in barangay-level Material Recovery Facilities  
34 (MRFs);
- 35           • Inclusion of circular economy actions in local environmental and climate plans;
- 36           • Participation in capacity-building programs led by DENR, DTI, and DOST.

37        The National Government shall provide technical and financial assistance to LGUs for  
38 LCEAP implementation and monitoring.

39        **SECTION 6. Extended Producer Responsibility (EPR) Compliance.** – All producers,  
40 manufacturers, and importers shall comply with the mandatory Extended Producer  
41 Responsibility (EPR) schemes as defined in Republic Act No. 11898 or the EPR Act of 2022,  
42 with its implementation further strengthened under this Act. Producers shall be required to  
43 design products with circularity in mind, specifically for repairability, reusability, and  
44 recyclability, to reduce environmental impact throughout the product lifecycle.

1 They must also submit annual compliance and performance reports to the appropriate  
2 regulatory agencies. To ensure accountability and encourage best practices, producers will be  
3 subject to a system of incentives for circular product design and penalties for non-compliance,  
4 as determined by the Department of Environment and Natural Resources (DENR) or the  
5 Department of Trade and Industry (DTI).

6 **SECTION 7. *Circular Economy Hubs.*** - The government shall establish Circular  
7 Economy Innovation Hubs in partnership with academic institutions, industries, and LGUs.  
8 These hubs shall serve as centers for Research and Development (R&D), prototyping, and  
9 technology transfer, incubators for MSMEs and startups practicing circularity, capacity-  
10 building centers for LGUs and community-based initiatives, and piloting grounds for  
11 traceability and materials tracking systems.

12 **SECTION 8. *Circular Economy Fund.*** - A Circular Economy Innovation and  
13 Transition Fund (CEITF) shall be established and managed by the DOST or DTI, in  
14 coordination with NEDA and DENR. The Fund shall support:

- 15 1. R&D and prototyping in circular technologies;
- 16 2. MSME transitions and retraining of workers;
- 17 3. Pilot projects in vulnerable or marginalized communities;
- 18 4. Scholarships and training in circular economy jobs;
- 19 5. Grants for digital traceability platforms and repair networks.

20 At least 10% of environmental taxes or solid waste fees shall be allocated annually to  
21 the CEITF.

22 **SECTION 9. *Digital Tools and Traceability.*** - To enhance transparency and  
23 accountability, the following shall be developed:

- 24 1. A National Circular Materials Database (NCMD) to monitor material flows and  
25 recovery;
- 26 2. Digital platforms for waste exchange, product repair directories, and recyclability  
27 scoring;
- 28 3. Smart labeling systems (e.g., QR codes) for high-value or hazardous products;
- 29 4. Exploration of blockchain applications in EPR and circular supply chains.

30 **SECTION 10. *Integration in Education and Workforce Development.*** - Circular  
31 economy concepts shall be integrated into:

- 32 • The curricula of primary, secondary, and tertiary education under the guidance of  
33 DepEd and CHED;
- 34 • TESDA, DOLE, and CHED shall develop training programs on circular economy jobs  
35 such as:
  - 36 • Repair and remanufacturing,
  - 37 • Recycling technology,
  - 38 • Waste auditing and materials management;
- 39 • Green job scholarships, upskilling vouchers, and labor transition safeguards for  
40 displaced workers shall be established.

1           **SECTION 10. *Private Sector and Civil Society Participation.*** - A Multi-Sectoral  
2 Advisory Council on Circular Economy (MSAC-CE) shall be institutionalized, composed of:

- 3           1. Industry representatives;
- 4           2. Civil society organizations;
- 5           3. Academic experts;
- 6           4. Indigenous peoples and community leaders.

7           The MSAC-CE shall advise on policy development, ensure transparency, and oversee  
8 stakeholder consultations, especially before the approval of large-scale circular economy  
9 projects.

10          **SECTION 11. *Monitoring and Evaluation.*** - The DENR, in coordination with DTI,  
11 DOST, and NEDA, shall submit an annual report to Congress detailing the waste reduction and  
12 material recovery rates, emissions avoided, resources conserved, and jobs created, and to  
13 publish the report for public access and feedback.

14          **SECTION 12. *Appropriations.*** - Within ninety (90) days from the effectivity of this  
15 Act, the DENR, in coordination with DTI, DOST, NEDA, and other relevant stakeholders,  
16 shall promulgate the Implementing Rules and Regulations (IRR).

17          **SECTION 13. *Implementing Rules and Regulations.*** - Within ninety (90) days from  
18 the effectivity of this Act, the Department of Agriculture, in coordination with BFAR, DENR,  
19 DTI, TESDA, DOT, and other concerned agencies, shall promulgate the necessary rules and  
20 regulations.

21          **SECTION 14. *Separability Clause.*** - If any provision of this Act is declared  
22 unconstitutional or invalid, the remaining provisions shall remain in full force and effect.

23          **SECTION 15. *Repealing Clause.*** - All laws, decrees, executive orders, or regulations  
24 inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

25          **SECTION 16. *Effectivity.*** - This Act shall take effect fifteen (15) days after its  
26 publication in the Official Gazette or in a newspaper of general circulation.

27           *Approved,*