

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session



COMMITTEE REPORT NO. 336

Submitted by the Special Committee on Nuclear Energy and Committee on Appropriations on May 26, 2026

Re : **House Bill No. 375**

Recommending its approval with amendments.

Sponsor : Representative Mark O. Cojuangco

Mr. Speaker:

The Special Committee on Nuclear Energy and the Committee on Appropriations to which was referred **House Bill No. 375**, introduced by Representative Mark O. Cojuangco, entitled:

AN ACT

GOVERNING CIVIL LIABILITY AND COMPENSATION CLAIMS FOR NUCLEAR DAMAGE, REPEALING FOR THE PURPOSE CERTAIN SECTIONS OF REPUBLIC ACT NO. 5207, OTHERWISE KNOWN AS THE "ATOMIC ENERGY REGULATORY AND LIABILITY ACT OF 1968", AS AMENDED

have considered the same and hereby recommend that **House Bill No. 375** be approved with the following amendments:

1. On Section 16(a), page 10 line 6, after the punctuation semi colon (;), delete the word "and"
2. On Section 16 (b), page 10, line 7, after the number "19", delete the word "applies" and the punctuation period (.), and in lieu thereof substitute the phrase OF THIS ACT SHALL APPLY; AND
3. On the same section and page, between lines 7 and 8, add sub-paragraph (c) and insert the following:

(C) THE PHILATOM SHALL NOT ESTABLISH SUCH LOWER LIMIT OF LIABILITY FOR ANY NUCLEAR REACTOR WITH A CAPACITY EQUAL TO OR GREATER THAN 620MWE/1876 MW(T) OR SUCH OTHER UPDATED CAPACITY THRESHOLD AS MAY BE SET BY THE PHILATOM IN THE FUTURE THROUGH DULY PROMULGATED RULES AND REGULATIONS TO REFLECT INTERNATIONAL SAFETY STANDARDS AND DEVELOPMENTS IN NUCLEAR TECHNOLOGY, BUT MAY DO SO FOR A NUCLEAR REACTOR WITH A LOWER

CAPACITY IF BASED ON A DOCUMENTED RISK ASSESSMENT THAT CONSIDERS, AMONG OTHERS, THE SCALE OF OPERATIONS, THE TYPE AND QUANTITY OF NUCLEAR MATERIAL INVOLVED, INHERENT SAFETY FEATURES OF THE TECHNOLOGY AND THE REASONABLY FORESEEABLE CONSEQUENCES OF A NUCLEAR INCIDENT.

4. After section 24, insert a new section 25 and renumber the succeeding sections accordingly:

SEC. 25. USE OF PUBLIC FUNDS IN RELATION TO THE CONVENTION ON SUPPLEMENTARY COMPENSATION. — PUBLIC FUNDS, AS MAY BE NECESSARY FOR ANY CONTRIBUTION OR PAYMENT IN RELATION TO THE CONVENTION ON SUPPLEMENTARY COMPENSATION FOR NUCLEAR DAMAGE, SHALL BE UTILIZED ONLY WHEN THE CONVENTION IS IN FORCE WITH RESPECT TO THE REPUBLIC OF THE PHILIPPINES AND THE CORRESPONDING AMOUNT HAS BEEN AUTHORIZED UNDER THE APPLICABLE APPROPRIATIONS LAW, SUBJECT TO EXISTING BUDGETING, ACCOUNTING, AUDITING, AND OTHER PERTINENT LAWS, RULES, AND REGULATIONS.

5. On Section 26, page 13, line 16, between the word “damage” and the punctuation period (.), insert the punctuation semi-colon (;) and the phrase PROVIDED, THAT THE REPORT SHALL IDENTIFY THE FUNDING SOURCE AND JUSTIFICATION FOR ANY RECOMMENDED APPROPRIATION OF ADDITIONAL PUBLIC FUNDS, INCLUDING THE FISCAL IMPACT ASSESSMENT OF THE DEPARTMENT OF FINANCE AND THE BUDGETARY EVALUATION OF THE DEPARTMENT OF BUDGET AND MANAGEMENT.

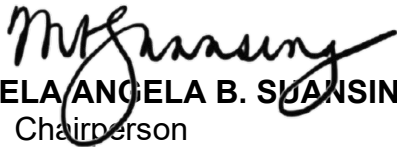
6. On Section 33, page 16, line 1, delete the title phrase “Nuclear Claims Panel” and in lieu thereof substitute with the following: CLAIMS HANDLING PANEL

7. On the same section and page, line 3, between the words “upon” and the article “the”, delete the phrase “consultation with” and in lieu thereof substitute RECOMMENDATION BY

with Representatives Mark O. Cojuangco, Gloria Macapagal-Arroyo, Julio A. Ledesma IV, Sergio C. Dagooc, Robert Raymund "Eskimo" M. Estrella, III, Steve Chiongbian Solon, Roy M. Gonzales, Salvador A. Pleyto, JC Abalos, Maria Rachel J. Arenas, Gerardo "Gerryboy" J. Espina Jr., Jesus Jurdin M. Romualdo, Jaime Eduardo Marc D. Cojuangco, Arturo B. Robes, Arthur F. Celeste, Ed Christopher S. Go, Christopherson “Coco” Yap, Kristine Singson-Meehan, Arnulf Bryan “Arnie” B. Fuentebella, Yevgeny Vincente “Bambi” B. Emano, Ramon C. Nolasco Arlyn P. Ayon, Aniela Bianca D. Tolentino, Jose C. Alvarez, Leody "Odie" F. Tarriela, Brian Poe-Llamanzares, Ma. Georgina P. De Venecia, Marlo C. Bancoro, Angelo Marcos Barba, Irwin C. Tieng, Faustino Michael Carlos T. Dy III, Faustino “Bojie” G. Dy III, Claude P. Bautista, JAN "Atty. JP" Padiernos, Arnan C. Panaligan, Ching B. Bernos, Daphne A. Lagon, Wowo Fortes, Rachel Marguerite B. Del Mar, Jefferson F. Khonghun, Antonio “Tonypet” T. Albano, Presley C. de Jesus, JB Bernos, Carl Nicolas C. Cari, Esmael G. Mangudadatu, Mauricio G. Domogan, Kenneth Paolo Tereng, Dante S. Garcia, Jose Arturo S. Garcia, Jr., Marlyn L. Primicias-Agabas, Carolyn B. Agyao MD, Elijah Rumbaoa San Fernando, Joseph “Jojo” L. Lara, Bernadette S. Barbers, Paolo Henry M. Marcoleta, Nelson S. Legacion, Francisco “Lalo” T. Matugas, Ma. Victoria Co-Pilar, Jesus “Jess” R. Marquez, Carlos Andes Loria, Roger Gaviola

Mercado, Rudy S. Caoagdan, Adrian E. Salceda, Edgar R. Erice, Eduardo R. Rama, Jesus Manuel "Bong" C. Suntay, Ziaur-Rahman "Zia" Alonto Adiong, Mark Anthony Santos, Aiman Tan, Wilfrido Mark M. Enverga, Felimon M. Espares, Ma. Rene Ann Lourdes G. Matibag, Laarni Lavin Roque, Joseph S. Tan, Yasser Alonto Balindong, Anna Victoria Veloso-Tuazon, Ustadz Yusop T. Alano, Maria Cristina C. Angeles, Alexandria P. Gonzales, Marcelino C. Liban, Binky April M. Tupas, Patrick Michael D. Vargas, Ramil Laurel Hernandez, Roy M. Loyola, Bai Dimple I. Mastura, Rommel Rico T. Angara, Antonio B. Legarda, Jr., Noel "Bong" N. Rivera, Reynaldo P. Salvacion, Sun Judal Shimura, Milagros Aquino-Magsaysay, Mario "Kokoy" O. Salvador, Lordan G. Suan, Ferdinand "B1" L. Beltran, Oscar G. Malapitan, Josefina B. Tallado, Joel R. Chua, Julianne "Jam" Baronda, Nathaniel M. Oducado, Jason P. Almonte, Franz S. Pumaren, Adrian Jay C. Advincula, Cheeno Miguel D. Almario, Edsel A. Galeos, Manuel "Manman" O. Ko, Stephen James T. Tan, Javier Miguel Lopez Benitez, Edwin Ongchuan, Alfredo A. Garbin, Jr., Francisco Paolo P. Ortega V, Mark Cholo I. Violago, Dimszar M. Sali, Agatha Paula Aguilar Cruz, Aniela Bianca D. Tolentino, Rosemarie Conejos Panotes, Robert Nazal, and Charisse Ann C. Hernandez as authors thereof.

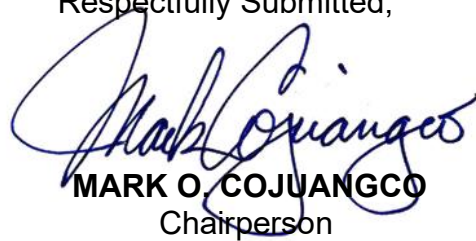
Respectfully Submitted,



MIKAELA ANGELA B. SUANSING

Chairperson

Committee on Appropriations



MARK O. COJUANGCO

Chairperson

Special Committee on Nuclear Energy

THE HONORABLE SPEAKER
HOUSE OF REPRESENTATIVES
Quezon City

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

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 375



Introduced by **REPRESENTATIVE MARK O. COJUANGCO**

AN ACT
GOVERNING CIVIL LIABILITY AND COMPENSATION CLAIMS FOR NUCLEAR
DAMAGE, REPEALING FOR THE PURPOSE CERTAIN SECTIONS OF REPUBLIC
ACT NO. 5207, OTHERWISE KNOWN AS THE "ATOMIC ENERGY REGULATORY
AND LIABILITY ACT OF 1968", AS AMENDED¹

EXPLANATORY NOTE

The existing nuclear liability law in the Philippines, Republic Act No. 5207 (otherwise known as the "Atomic Energy Regulatory and Liability Act of 1968") encourages, supports, and facilitates the advancement and utilization of atomic energy for all peaceful purposes, encompassing the establishment and operation of atomic energy facilities and atomic energy materials, subject to regulations. Given that more than five decades have passed since its enactment, it is evident that it requires updating to align with modern principles and international standards in the field of nuclear liability.

The Philippines is currently a contracting party to the 1963 Vienna Convention on Civil Liability for Nuclear Damage. The country is also a signatory to the 1997 Protocol to Amend the Vienna Convention on Civil Liability for Nuclear Damage (the "1997 Vienna Convention"), the Joint Protocol Relating to the Application of the Vienna Convention and the Paris Convention (the "Joint Protocol") and the Convention on Supplementary Compensation (the "CSC"), however, ratification of these conventions remain pending.

This bill seeks to establish a modern nuclear liability regime in the Philippines and, therefore, repeals the provisions outlined in Part VII of Republic Act 5207. The bill has been drafted based on the principles of nuclear liability found in the 1997 Vienna Convention. The bill also establishes provisions necessary for the Philippines to become a contracting party to the CSC, including mechanisms for contributing to and accessing pooled public funds. It includes key provisions on strict liability channeled to the nuclear power plant operator, liability caps, availability of compensation for nuclear

¹ This bill has been approved on Third Reading by the House of Representatives during the 19th Congress.

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damage, establishment of a Claims Handling Tribunal, and exclusive jurisdiction for claim resolutions.

Moreover, the bill aims to introduce a three-tier funding system that encompasses operator funds, Philippine Government-appropriated funds and CSC joint public funds, ensuring adequate compensation for nuclear damage.

By ensuring that the Philippines has a robust, comprehensive, and effective nuclear liability regime that provides clarity, fairness, and adequate compensation, the country will demonstrate its commitment to upholding international best practices, complying with relevant international conventions, fostering cooperation with nuclear technology vendors, and enabling the safe and responsible growth of the country's nuclear energy program.

Predictability and consistency in Nuclear Liability consequences are key pillars in making the Philippines attractive for nuclear investors, vendors, vendor countries, as well as the public and private international financing which accompanies these industries.

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



HON. MARK COJUANGCO

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

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 375

Introduced by **REPRESENTATIVE MARK O. COJUANGCO**

AN ACT
GOVERNING CIVIL LIABILITY AND COMPENSATION CLAIMS FOR
NUCLEAR DAMAGE, REPEALING FOR THE PURPOSE CERTAIN
SECTIONS OF REPUBLIC ACT NO. 5207, OTHERWISE KNOWN AS THE
“ATOMIC ENERGY REGULATORY AND LIABILITY ACT OF 1968”,
AS AMENDED

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

ARTICLE 1
PURPOSE AND DEFINITIONS

SECTION 1. *Short Title.* – This Act shall be known as the “Philippine Nuclear Liability Act”, referred to herein as the “Act”.

SEC. 2. *Purpose.* – This Act shall govern the civil liability and compensation for nuclear damage in case of a nuclear incident occurring in the territory, territorial sea or exclusive economic zone of the Philippines or during carriage of nuclear material for which the operator is liable in accordance with this Act and the relevant conventions.

It shall be the policy of the State to ensure that legal frameworks for civil liability and compensation for nuclear damage shall be consistent with the Philippines’ international commitments in relevant conventions, the obligations in which the Philippines shall implement.

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



(a) *Convention on Supplementary Compensation* means the Convention on Supplementary Compensation for Nuclear Damage of 12 September 1997 and any amendment thereto if such amendment is in force for the Republic of the Philippines;

(b) *Installation State*, in relation to a nuclear installation, means the Contracting Party within whose territory that installation is situated or, if it is not situated within the territory of any State, that Contracting Party by which or under the authority of which the nuclear installation is operated;

(c) *Measures of reinstatement* means any reasonable measures which have been approved by the competent authorities of the State where the measures were taken, and which aim to reinstate or restore damaged or destroyed components of the environment, or to introduce, where reasonable, the equivalent of these components into the environment, provided that the law of the State where the damage is suffered shall determine who is entitled to take such measures;

(d) *Nuclear damage* means:

- (1) Loss of life or personal injury;
- (2) Loss of or damage to property;

and each of the following to the extent determined by the law of the competent court:

- (3) Economic loss arising from loss or damage referred to in Section 3(d)(1) or 3(d)(2), insofar as not included in those subsections if incurred by a person entitled to claim in respect of such loss or damage;
- (4) The costs of measures of reinstatement of impaired environment, unless such impairment is insignificant, if such measures are actually taken or to be taken, and insofar as not included in Section 3(d)(2);
- (5) Loss of income deriving from an economic interest in any use or enjoyment of the environment, incurred as a result of a significant impairment of that environment, and insofar as not included in Section 3(d)(2);
- (6) The costs of preventive measures, and further loss or damage caused by such measures; and

- (7) Any other economic loss, other than any caused by the impairment of the environment, if permitted by the general law on civil liability of the competent court.

In the case of Section 3(d)(1) to Section 3(d)(5) and Section 3(d)(7) above, to the extent that the loss or damage arises out of or results from ionizing radiation emitted by any source of radiation inside a nuclear installation, or emitted from nuclear fuel or radioactive products or waste in, or of nuclear material coming from, originating in, or sent to, a nuclear installation, whether so arising from the radioactive properties of such matter, or from a combination of radioactive properties with toxic, explosive, or other hazardous properties of such matter;

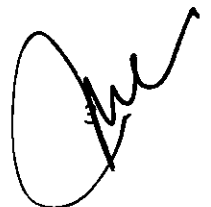
(e) *Nuclear fuel* means any material which is capable of producing energy by a self-sustaining chain process of nuclear fission;

(f) *Nuclear incident* means any occurrence or series of occurrences having the same origin which causes nuclear damage or, but only with respect to preventive measures, creates a grave and imminent threat of causing such damage;

(g) *Nuclear installation* means:

- (1) Any nuclear reactor other than one with which a means of sea or air transport is equipped for use as a source of power whether for propulsion thereof or for any other purpose;
- (2) Any factory using nuclear fuel for the production of nuclear material, or any factory for the processing of nuclear material, including any factory for the re-processing of irradiated nuclear fuel;
- (3) Any facility where nuclear material is stored, other than storage incidental to the carriage of such material; and
- (4) Such other installations in which there are nuclear fuel or radioactive products or waste as the Board of Governors of the International Atomic Energy Agency shall from time to time determine and, based on such determination, as subsequently confirmed by PhilATOM:

Provided, That several nuclear installations of one operator which are located at the same site shall be considered as a single nuclear installation.

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(h) *Nuclear material* means:

(1) Nuclear fuel, other than natural uranium and depleted uranium, capable of producing energy by a self-sustaining chain process of nuclear fission outside a nuclear reactor, either alone or in combination with some other material; and

(2) Radioactive products or waste.

(i) *Nuclear reactor* means any structure containing nuclear fuel in such an arrangement that a self-sustaining chain process of nuclear fission can occur therein without an additional source of neutrons;

(j) *Operator*, in relation to a nuclear installation, means the person designated or recognized by the installation state as the operator of that installation: *Provided*, That with respect to a nuclear installation in the territory of the Republic of the Philippines, such operator is designated or recognized by the PhilATOM as the authorized party;

(k) *Person* means any individual, partnership, any private or public body whether corporate or not, any international organization enjoying legal personality under the law of the installation state, and any State or any of its constituent sub-divisions;

(l) *PhilATOM* means the Philippine Atomic Energy Regulatory Authority, otherwise known as "PhilATOM" or its subsequent statutory successor;

(m) *Preventive measures* means any reasonable measures taken by any person after a nuclear incident has occurred to prevent or minimize damage referred to in Section 3(d)(1) to Section 3(d)(5) or Section 3(d)(7), subject to any approval of the competent authorities required by the law of the State where the measures were taken;

(n) *Radioactive by-products or waste* means any radioactive material produced in, or any material made radioactive by exposure to the radiation incidental to, the production or utilization of nuclear fuel, but does not include radioisotopes which have reached the final stage of fabrication so as to be usable for any scientific, medical, agricultural, commercial, or industrial purpose;

(o) *Reasonable measures* means measures which are found under the law of the competent court to be appropriate and proportionate, having regard to all the circumstances, such as:

- (1) The nature and extent of the damage incurred or, in the case of preventive measures, the nature and extent of the risk of such damage;
- (2) The extent to which, at the time they are taken, such measures are likely to be effective; and
- (3) Relevant scientific and technical expertise;

(p) *Relevant Conventions* means the international conventions governing third party liability for nuclear damage to which the Philippines is a Contracting Party;

(q) *Special Drawing Right or SDR* means the unit of account defined by the International Monetary Fund and used by it for its own operations and transactions; and

(r) *Vienna Convention* means the Vienna Convention on Civil Liability for Nuclear Damage of 21 May 1963, as amended by the Protocol to Amend the Vienna Convention on Civil Liability for Nuclear damage of 12 September 1997 and any amendment thereto if such amendment is in force for the Republic of the Philippines.

For the purposes of this Act, any term that is defined in paragraph 1 above, as well as any term that is not defined in paragraph 1 above, shall be applied in a manner consistent with the use of that term in the relevant convention in the relevant context.

ARTICLE 2

EXCLUSIONS

SEC. 4. *Exclusion of Nuclear Installations or Small Quantities.* – The PhilATOM may, if the small extent of the risks involved so warrants, exclude any nuclear installation or small quantities of nuclear material from the application of the provisions of this Act: *Provided, That*

- (a) With respect to nuclear installations, criteria for such exclusion have been established by the Board of Governors of the International Atomic

Energy Agency and the PhilATOM issues a determination that any exclusion satisfies such criteria; and

- (b) With respect to small quantities of nuclear material, maximum limits for the exclusion of such quantities have been established by the Board of Governors of the International Atomic Energy Agency and the PhilATOM issues a determination that any exclusion is within such established limits.

ARTICLE 3 OPERATOR LIABILITY

SEC. 5. *The Liable Operator.* – In accordance with the relevant conventions, the operator of a nuclear installation shall be liable for nuclear damage upon proof that such damage has been caused by a nuclear incident:

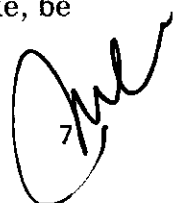
- (a) In such nuclear installation; or
- (b) Involving nuclear material coming from or originating in such nuclear installation, and occurring:
 - (1) Before liability with regard to nuclear incidents involving the nuclear material has been assumed, pursuant to the express terms of a contract in writing, by the operator of another nuclear installation;
 - (2) In the absence of such express terms, before the operator of another nuclear installation has taken charge of the nuclear material; or
 - (3) Where the nuclear material is intended to be used in a nuclear reactor with which a means of transport is equipped for use as a source of power, whether for propulsion thereof or for any other purpose, before the person duly authorized to operate such reactor has taken charge of the nuclear material; but
 - (4) Where the nuclear material has been sent to a person within the territory of a non-Contracting State, before it has been unloaded from the means of transport by which it has arrived in the territory of that non-Contracting State;
- (c) Involving nuclear material sent to such nuclear installation, and occurring:

- (1) After liability with regard to nuclear incidents involving the nuclear material has been assumed by the operator pursuant to the express terms of a contract in writing, from the operator of another nuclear installation;
- (2) In the absence of such express terms, after the operator has taken charge of the nuclear material; or
- (3) After the operator has taken charge of the nuclear material from a person operating a nuclear reactor with which a means of transport is equipped for use as a source of power, whether for propulsion thereof or for any other purpose during transport; but
- (4) Where the nuclear material has, with the written consent of the operator, been sent from a person within the territory of a non-Contracting State, only after it has been loaded on the means of transport by which it is to be carried from the territory of that State;

Provided, That if nuclear damage is caused by a nuclear incident occurring in a nuclear installation and involving nuclear material stored therein incidentally to the carriage of such material, the provisions of Section 5(a) shall not apply where another operator or person is solely liable pursuant to the provisions of Section 5(b) or Section 5(c).

SEC. 6. *Carrier or person as Operator.* – Upon the request of a carrier of nuclear material or a person handling radioactive waste and with the consent of the operator concerned, the PhilATOM may designate or recognize such carrier or person as operator in place of such operator in respect of such nuclear material or radioactive waste: *Provided*, That such designation or recognition shall be subject to such terms and conditions as the PhilATOM may by regulation or order prescribe. In this case, such carrier or person shall be considered, for all purposes of this Act, as an operator of a nuclear installation situated within the territory of the Republic of the Philippines.

SEC. 7. *Liability of More Than One Operator.* – Where nuclear damage engages the liability of more than one operator, the operators involved shall, in so far as the damage attributable to each operator is not reasonably separable, be jointly and severally liable.



Where a nuclear incident occurs in the course of carriage of nuclear material, either in one and the same means of transport, or, in the case of storage incidental to the carriage, in one and the same nuclear installation, and causes nuclear damage which engages the liability of more than one operator, the total liability shall not exceed the highest amount applicable with respect to any one of them pursuant to Section 16 hereof.

In neither of the cases referred to in this Section shall the liability of any one operator exceed the amount applicable with respect to such operator pursuant to Section 16 hereof.

SEC. 8. *Liability of One Operator for Several Nuclear Installations.*

– Subject to the provisions of Section 7, where several nuclear installations of one and the same operator are involved in one nuclear incident, such operator shall be liable in respect of each nuclear installation involved up to the amount applicable with respect to such operator pursuant to Section 16 hereof.

SEC. 9. *Absolute and Exclusive Liability of Operator.* – The liability of the operator for nuclear damage shall be absolute.

Except as otherwise provided for in this Act, no person other than the operator shall be liable for nuclear damage.

SEC. 10. *Operator Liability for Natural Disaster.* – The operator shall be liable for nuclear damage caused by a nuclear incident directly or indirectly due to a grave natural disaster of an exceptional character.

SEC. 11. *Armed Conflict Exclusion.* – No liability shall attach to an operator for nuclear damage caused by a nuclear incident directly due to an act of armed conflict, hostilities, civil war, or insurrection.

SEC. 12. *Relief in Cases of Gross Negligence or Intentional Act.* – If the operator proves that the nuclear damage resulted wholly or partly either from the gross negligence of the person suffering the damage or from an act or omission of such person done with intent to cause damage, the competent court may relieve the operator wholly or partly from its obligation to pay compensation in respect of the damage suffered by such person.

SEC. 13. *Damage Deemed Nuclear Damage.* – Whenever both nuclear damage and damage other than nuclear damage have been caused by a nuclear incident or jointly by a nuclear incident and one or more other occurrences, such other damage shall, to the extent that it is not reasonably separable from the nuclear damage, be deemed, for the purposes of this Act, to be nuclear damage caused by that nuclear incident. Where, however, damage is caused jointly by a nuclear incident covered by the provisions of this Act and by an emission of ionizing radiation not covered by it, nothing in this Act shall limit or otherwise affect the liability, either as regards any person suffering nuclear damage or by way of recourse or contribution, of any person who may be held liable in connection with that emission of ionizing radiation.

SEC. 14. *Property for which Operator is Not Liable.* – The operator shall not be liable under this Act for nuclear damage:

(a) To the nuclear installation itself and any other nuclear installation, including a nuclear installation under construction, on the site where that installation is located;

(b) To any property on that same site which is used or to be used in connection with any such installation; and

(c) To the means of transport upon which the nuclear material involved was at the time of the nuclear incident.

SEC. 15. *Exercise of Right to Compensation.* – Subject to the provisions of this Act, any person may bring a claim for compensation for nuclear damage.

The right to compensation for nuclear damage may be exercised only against the operator liable or person furnishing financial security pursuant to this Act.

ARTICLE 4

LIABILITY LIMITS AND FINANCIAL SECURITY

SEC. 16. *Operator Liability Limit.* – The liability of a Philippine operator under this Act for any one nuclear incident is limited to an amount in Philippine pesos equivalent to three hundred million (300,000,000) SDRs.

Notwithstanding paragraph 1 of this Section, the PhilATOM, having regard to the nature of the nuclear installation or the nuclear substances involved and to the likely consequences of an incident originating therefrom, may establish a lower limit of liability of the operator: *Provided, That:*

- (a) In no event shall any amount so established be less than an amount in Philippine pesos equivalent to Five million (5,000,000) SDRs; and
- (b) In such a case Section 19 applies.

The amounts established by this Section shall apply wherever the nuclear incident occurs and the Philippine operator is liable.

The amounts established by this Section are exclusive of any interest or costs which may be awarded by the competent court.

SEC. 17. *Minimum Financial Security.* – Under this Act, the operator shall be required to maintain insurance or other financial security covering its liability for nuclear damage in the amount established by Section 16.

Nothing in this Act shall be construed to require the National Government or any government agency or instrumentality operating a nuclear installation to maintain insurance or other financial security to cover their liability as operators.

SEC. 18. *Type and Terms of Financial Security.* – The PhilATOM shall prescribe by regulation or order the type and terms of the required financial security: *Provided, That* in so prescribing, the PhilATOM shall be guided by the objectives of assuring adequate and effective compensation to victims of a nuclear incident without imposing an unreasonable burden on the operator.

SEC. 19. *Government Satisfaction of Claims.* – The Government shall ensure the payment of claims for compensation for nuclear damage which have been established against the operator:

- (a) to the extent that the yield of financial security is inadequate to satisfy such claims;
- (b) if the PhilATOM has established a lower limit of the operator's liability in accordance with paragraph 2 of Section 16; or
- (c) if the Government or any government agency or instrumentality is the operator,

in all cases, up to the limit provided for in paragraph 1 of Section 16.

SEC. 20. *Equitable Distribution.* – Compensation for nuclear damage under Section 16, including any Government satisfaction of claims under Section 19, shall be available to compensate nuclear damage wherever suffered and shall be distributed equitably without discrimination on the basis of nationality, domicile, or residence.

SEC. 21. *Exclusive Use of Funds.* – The funds provided by insurance, by other financial security pursuant to Section 17 and 18, or by the Government pursuant to Section 19, shall be exclusively available for compensation due under this Act.

SEC. 22. *Carrier to be Furnished with Certificate.* – The operator liable in accordance with this Act shall provide the carrier with a certificate issued by or on behalf of the insurer or other financial guarantor furnishing the financial security required pursuant to Sections 17 and 18.

The certificate shall:

(a) State the name and address of such operator and the amount, type, and duration of security, and these statements may not be disputed by the person by whom or on whose behalf the certificate was issued;

(b) Indicate the nuclear material in respect of which the security applies; and

(c) Include a statement by the PhilATOM, or, with respect to nuclear material coming from another Contracting Party the competent authority of such Contracting Party, that the person named is an operator within the meaning of the relevant convention.

The PhilATOM may exclude the obligation in paragraph 1 of this section in relation to carriage which takes place wholly within the territory of the Republic of the Philippines.

SEC. 23. *Notice of Suspension or Cancellation by Insurer.* – No insurer or other financial guarantor shall suspend or cancel the insurance or other financial security provided pursuant to Sections 17 and 18:

(a) Without giving notice in writing of at least two (2) months to the PhilATOM;

or

(b) In so far as such insurance or other financial security relates to the carriage of nuclear material, during the period of the carriage in question.

ARTICLE 5

CONVENTION ON SUPPLEMENTARY COMPENSATION PUBLIC FUNDS

SEC. 24. *Public Funds from Contracting Parties to Convention on Supplementary Compensation.* – Any public funds contributed by Contracting Parties to the Convention on Supplementary Compensation above the operator's liability limit in paragraph 1 of Section 16 shall:

(a) Be available to compensate nuclear damage which is suffered in the territory of a Contracting Party to the Convention on Supplementary Compensation and other locations identified by Article V of the Convention on Supplementary Compensation; and

(b) Subject to the provisions of the Convention on Supplementary Compensation, be distributed equitably without discrimination on the basis of nationality, domicile, or residence.

SEC. 25. *Reimbursement of Public Funds.* – If a call for public funds is made by a Contracting Party to the Convention on Supplementary Compensation in accordance with Article III(1)(b) and for which the Republic of the Philippines is required to contribute funds in accordance with Article IV of the Convention on Supplementary Compensation, operators of nuclear installations in the territory of the Republic of the Philippines shall reimburse the Government with respect to such funds: *Provided, That:*

(a) Reimbursement shall be called on by the Government only after the later of:

- (1) The installation of 7,500 MWth of nuclear capacity in the territory of the Republic of the Philippines; and
- (2) The year 2035; and

(b) An operator's pro rata contribution shall be determined based on the percentage of its installed nuclear capacity out of the total installed nuclear capacity in the Republic of the Philippines at the time of the relevant nuclear incident.

The PhilATOM shall by regulation or order determine any additional provisions with respect to such reimbursement.

ARTICLE 6

ADDITIONAL PUBLIC FUNDS

SEC. 26. *Report to Congress Regarding Additional Public Funds.* –

In any case where it appears that the nuclear damage caused by a nuclear incident exceeds or will probably exceed both the limit of liability established in paragraph 1 of Section 16 and the contributions to be provided by Contracting Parties to the Convention on Supplementary Compensation in accordance with Article III(1)(b), the PhilATOM shall furnish a report to Congress with its recommendations, including any recommendations for the appropriation of additional funds from Congress to provide compensation for nuclear damage.

SEC. 27. *Limit on Compensation by Public Funds.* – The Government may determine limits on compensation paid from any additional funds appropriated by Congress pursuant to Section 26.

ARTICLE 7

PERIOD OF EXTINCTION

SEC. 28. *Period of Extinction.* – Rights of compensation shall be extinguished if an action is not brought within:

- (a) With respect to loss of life and personal injury, thirty (30) years from the date of the nuclear incident; and
- (b) With respect to other damage, ten (10) years from the date of the nuclear incident;

Provided, That in both above cases, rights of compensation shall be extinguished if an action is not brought within three (3) years from the date on which the person suffering nuclear damage had knowledge or ought reasonably to have had

knowledge of the damage and of the operator liable for the damage, Further Provided, That the periods established pursuant to paragraphs (a) and (b) above shall not be exceeded.

Any person who claims to have suffered nuclear damage and who has brought an action for compensation within the period established in paragraph 1 of this Section may amend the claim to take account of any aggravation of the damage, even after the expiry of such period: *Provided*, That final judgment has not been entered.

ARTICLE 8

RIGHT OF RECOURSE

SEC. 29. *Right of Recourse.* – The operator shall have a right of recourse only:

- (a) If this is expressly provided for by a contract in writing; or
- (b) If the nuclear incident results from an act or omission done with intent to cause damage, against the individual (natural person) who has acted or omitted to act with such intent.

Where the operator has a right of recourse according to paragraph 1(a) of this Section, such right of recourse shall also be extended to the benefit of the Government and Contracting Parties to the Convention on Supplementary Compensation with respect to any public funds made available by the Government in accordance with Section 19, and any contributions paid by Contracting Parties to the Convention on Supplementary Compensation in accordance with Article III(1)(b) of the Convention on Supplementary Compensation, respectively. The Government may exercise the rights of recourse on behalf of the Contracting Parties to the Convention on Supplementary Compensation.

ARTICLE 9

FINAL PROVISIONS

SEC. 30. *Consistency with Relevant Conventions.* – The provisions of the relevant conventions shall apply to cases not provided for in this Act or in regulations or orders issued by the PhilATOM.

This Act and any regulations or orders issued by the PhilATOM shall be implemented and interpreted in a manner that is consistent with the relevant conventions and to give full effect to the rights and obligations of the Philippines under such relevant conventions.

SEC. 31. *Jurisdiction and Applicable Law.* – The courts of the Philippines shall have jurisdiction over any nuclear incident that occurs in the territory, territorial sea or exclusive economic zone of the Republic of the Philippines and over any other nuclear incident that occurs elsewhere to the extent such jurisdiction is granted by the relevant conventions.

Subject to the provisions of the relevant conventions, the nature, form, extent and equitable distribution of compensation for nuclear damage caused by a nuclear incident with respect to which the courts of the Philippines have jurisdiction shall be governed by this Act and the other applicable law of the Philippines.

SEC. 32. *Competent Court in the Philippines.* – Claims under this Act shall be brought to the Regional Trial Court that has jurisdiction in the place where the incident occurs, provided that the Supreme Court shall designate the Regional Trial Court that has jurisdiction if:

- (a) the nuclear incident occurs in more than one judicial region; partly in a judicial region and partly within the Philippines exclusive economic zone; or within the Philippines exclusive economic zone; or
- (b) the nuclear incident occurs outside the territory or the exclusive economic zone of any contracting state; or
- (c) the place where the nuclear incident occurred cannot be determined with certainty.

Following such designation, any claims brought in any other Regional Trial Court shall be consolidated in the Regional Trial Court with jurisdiction.

SEC. 33. *Nuclear Claims Panel.* – If it is in the public interest that claims in respect of a nuclear incident are dealt with by a nuclear claims panel, the President, upon consultation with the PhilATOM, may determine to establish such panel.

Within fifteen (15) days of a determination by the President, a claims handling panel, referred to as the Nuclear Claims Panel, shall be established by the Department of Justice. Following the establishment of the Nuclear Claims Panel, such Panel have exclusive jurisdiction over claims for compensation for nuclear damage under this Act and any claims brought under Section 32 shall be transferred to the Panel.

The Nuclear Claims Panel shall be comprised of three (3) retired Regional Trial Court judges or experts in civil law, in good standing.

SEC. 34. *Investigation of Nuclear Claims and Priorities For Compensation of Claims.* – With respect to claims brought under this Act, the PhilATOM shall:

- (a) Investigate the purported nuclear incident;
- (b) Form an opinion on the radiation dose associated with the claims and the potential for such dose limit to cause nuclear damage; and
- (c) Supply evidence-based information on radiation doses that may definitively cause human harm.

Such findings and opinions shall be provided to and considered by the Regional Trial Court or, if established, the Nuclear Claims Panel, in its determinations.

For the purposes of the Regional Trial Court or, if established, the Nuclear Claims Panel, understanding relative risk and harm, expert opinions shall be obtained on the relative harm caused by the relevant radiation dose, compared to other common hazards such as smoking, airborne particulate pollution, common low-level chemical exposure, and exposure to elevated natural background radiation occurring in notable locations in the world, including in Ramsar in Iran, Kerala State in India, and Guarapari Beach in Brazil.

The Regional Trial Court or, if established, the Nuclear Claims Panel, shall be entitled to establish priorities for compensating classes of nuclear damage, provided that, with respect to claims brought against the operator where the damage to be compensated exceeds or is likely to exceed the maximum amount made available pursuant to paragraph 1 of Section 16, priority is given to the satisfaction of claims for loss of life or personal injury filed in accordance with this Act.

The Regional Trial Court or, if established, the Nuclear Claims Panel, shall seek the assistance of the PhilATOM on any other technical matters where appropriate.

SEC. 35. *Frivolous or Vexatious Claims.* – The Regional Trial Court or, if established, the Nuclear Claims Panel, shall refuse to hear any claim that it considers to be frivolous or vexatious.

SEC. 36. *Prohibition on Double Compensation.* – A claimant shall not be entitled to compensation under this Act if the Regional Trial Court or, if established, the Nuclear Claims Panel, determines that such claimant has already received or will receive adequate compensation pursuant to public health insurance, social insurance, social security, workers' compensation or occupational disease compensation systems.

SEC. 37. *Review of Judgement.* – Appeals from the Regional Trial Court or, if established, the Nuclear Claims Panel, shall be heard by the Court of Appeals.

SEC. 38. *Recognition of Foreign Judgments.* – A judgment, which is no longer subject to ordinary forms of review, entered by a competent court of another Contracting Party to a relevant convention shall, in accordance with the relevant convention and upon being presented for enforcement in accordance with the formalities of the courts of the Philippines, be recognised by the courts of the Philippines and enforceable as if it were a judgment of the courts of the Philippines. The merits of a claim on which the judgement has been given shall not be subject to further proceedings.

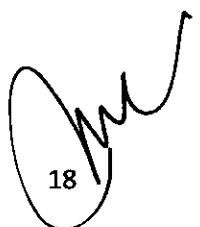
SEC. 39. *Implementing Rules and Regulations.* – The PhilATOM shall issue the rules and regulations necessary to implement this Act within one hundred eighty (180) days from the effective date of this Act.

SEC. 40. *Separability.* – If a provision of this Act is declared unconstitutional or invalid, the other provisions shall not be affected and shall remain in full force and effect.

SEC. 41. *Repealability.* – All acts, executive orders, administrative orders, proclamations, rules and regulations inconsistent with any provisions of this Act, including Sections 37 to 63 of Part VII, Liability for Nuclear Damage, under Republic Act No. 5207 and Section 50 of Republic Act No. [insert *PhilATOM Act No.*] are repealed or modified accordingly.

SEC. 42. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,



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FACT SHEET

House Bill No. 375
(with amendments)

AN ACT GOVERNING CIVIL LIABILITY AND COMPENSATION CLAIMS FOR NUCLEAR DAMAGE, REPEALING FOR THE PURPOSE CERTAIN SECTIONS OF REPUBLIC ACT NO. 5207, OTHERWISE KNOWN AS THE “ATOMIC ENERGY REGULATORY AND LIABILITY ACT OF 1968”, AS AMENDED

Introduced by : Rep. Mark O. Cojuangco
Committee Referral : Special Committee on Nuclear Energy
Committee Chairperson : Rep. Mark O. Cojuangco

OBJECTIVES:

- To modernize the nuclear liability law by aligning its provisions with contemporary international principles and standards on nuclear liability.
- To establish a comprehensive and effective nuclear liability regime in the Philippines that ensures clarity, fairness, and adequate compensation for nuclear damage.
- To provide a transparent and accessible mechanism for claiming compensation in the event of nuclear incidents occurring within the territory, territorial sea, or exclusive economic zone of the Republic of the Philippines.

KEY PROVISIONS:

- **Absolute and Exclusive Liability of the Operator of a Nuclear Installation**

Mandates that the operator of a nuclear installation shall be held strictly and exclusively liable for nuclear damage, regardless of fault or negligence. No person other than the operator (including suppliers and contractors) shall bear liability for nuclear damage. Liability is legally channeled solely to the operator of the nuclear installation.

- **Expanded definition of “Nuclear Damage”**

Defines “nuclear damage” to include economic loss, costs of environmental reinstatement and preventive measures, and loss of income, in addition to the original coverage of loss of life or personal injury, and loss of or damage to property.

- **Limited/Cap of Operator's Liability**

Establishes a limit on the liability of the operator for a single nuclear incident set at an amount in Philippine pesos equivalent to 300 million Special Drawing Rights (SDRs).

- **Authority of PhilATOM to Lower the Operator's Liability**

Authorizes the Philippine Atomic Energy Regulatory Authority (PhilATOM) to set a lower liability amount proportionate to the risk and size of the nuclear installation, provided that such amount shall not be less than the Philippine peso equivalent of 5 million SDRs.

- **Mandatory Financial Security**

Requires the operator of a nuclear installation to maintain an insurance or other financial security, such as bank guarantees, to cover its potential liability for nuclear damage in the amount established under Section 16 of the Act.

- **Government's satisfaction of Claims**

Provides that victims of nuclear damage are compensated. If the operator's financial security, whether through insurance or other guarantees, is insufficient to cover all claims, the government steps in to satisfy the remaining claims. This provision ensures that victims are not left uncompensated due to the financial limits of the operator.

- **Non-Discrimination and Equitable Distribution of Compensation**

Provides that any person who suffers damage caused by a nuclear incident is entitled to file a compensation claim in accordance with the provisions of the Act. The benefits apply to all victims, regardless of nationality, domicile, or residence.

- **Prescriptive Period for Claims**

Mandates that compensation claims for nuclear damage must be filed within thirty (30) years of the incident in cases of loss of life or personal injury, and within ten (10) years for other types of damage. However, in both cases, the right to compensation expires if the claim is not brought within three (3) years from the date the affected party became aware of the damage and the liable operator.

- **Unity of Jurisdiction**

Mandates that all compensation claims must be filed before the Regional Trial Court (RTC) having jurisdiction over the location of the nuclear incident. If the incident spans more than one judicial region, the Supreme Court shall designate the RTC that shall exercise jurisdiction.

RELATED LAWS:

- Republic Act 5207, as amended by PD 1484, known as the Atomic Energy Regulatory and Liability Act of 1968;
- Republic Act 12305, known as the Philippine National Nuclear Energy Safety Act
- 1963 Vienna Convention on Civil Liability for Nuclear Damage