

S. No. 2425
H. No. 10696

Republic of the Philippines
Congress of the Philippines

Metro Manila

Eighteenth Congress

Third Regular Session

Begun and held in Metro Manila, on Monday, the twenty-sixth
day of July, two thousand twenty-one.

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[REPUBLIC ACT NO. 11898]

AN ACT INSTITUTIONALIZING THE EXTENDED
PRODUCER RESPONSIBILITY ON PLASTIC
PACKAGING WASTE, AMENDING FOR THIS PURPOSE
REPUBLIC ACT NO. 9003, OTHERWISE KNOWN AS
THE "ECOLOGICAL SOLID WASTE MANAGEMENT
ACT OF 2000"

*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 "Extended Producer Responsibility Act of 2022".

SEC. 2. Section 2 of Republic Act No. 9003 is hereby
amended to read as follows:

"SEC. 2. *Declaration of Policies.* – It is hereby
declared the policy of the State to adopt a systematic,

comprehensive and ecological solid waste management program which shall:

"x x x

"(i) Integrate public participation in the development and implementation of national and local comprehensive and ecological waste management programs;

"(j) Strengthen the integration of ecological solid waste management and resource conservation and recovery topics into the academic curricula of formal and non-formal education in order to promote environmental awareness and action among the citizenry; and

"(k) Institutionalize the extended producer responsibility mechanism as a practical approach to efficient waste management, focusing on waste reduction, recovery and recycling, and the development of environment-friendly products that advocate the internationally accepted principles on sustainable consumption and production, circular economy, and producers' full responsibility throughout the life cycle of their product."

SEC. 3. Section 3 of Republic Act No. 9003 is hereby amended to read as follows:

"SEC. 3. *Definition of Terms.* - For the purposes of this Act:

"x x x

"(d-1) Circular economy shall refer to an economic model of creating value by extending product lifespan through improved design and servicing, and relocating ways from the end of the supply chain to the beginning. This intends to

efficiently utilize resources by its continual use, and aims to retain the highest utility and value of products, components and materials at all times, through sharing, leasing, reuse, repair, refurbishment, and recycling in an almost closed loop;

"x x x

"(m-1) Extended producer responsibility (EPR) shall refer to the environmental policy approach and practice that requires producers to be environmentally responsible throughout the life cycle of a product, especially its post-consumer or end-of-life stage;

"x x x

"(p-1) High recyclability shall refer to a condition wherein the value for recovery and reprocessing of a product is high, due to its design, composition, content, and density, among other things;

"(p-2) High retrievability shall refer to a condition wherein after use of a product, a significant volume of its waste can be recovered, properly recycled, processed or disposed of, on account of its high value for recovery, recycling, or reprocessing;

"(p-3) Importer shall refer to a natural or juridical person engaged in bringing consumer goods into the Philippines, intended to be sold, whether in original packaging or to be repackaged for distribution to the general public;

"(p-4) Large enterprises shall refer to any business entity whose total assets, inclusive of those arising from loans but exclusive of the land on which the particular business entity's office, plant and equipment are situated, are exceeding that of

medium enterprises stated under Republic Act No. 9501, otherwise known as the "Magna Carta for Micro, Small, and Medium Enterprises";

"x x x

"(s-1) Obligated enterprises shall refer to product producers that are required to implement an EPR program under this Act;

"x x x

"(v-1) Plastic shall refer to a synthetic material made from a wide range of organic polymers such as polyethylene terephthalate, high density polyethylene, low density polyethylene, polypropylene, polystyrene, PVC and nylon that can be processed to form solid objects of various shapes;

"(v-2) Plastic neutrality shall refer to a system or its desired outcome where, for every amount of plastic product footprint created, an equivalent amount thereof is recovered or removed from the environment by the product producers through an efficient waste management system;

"(v-3) Plastic packaging shall refer to the polymer material designed to protect a product from environmental factors, or carry goods for transportation, distribution, and sale, including service necessities and more particularly described under Section 44-C;

"(w-1) Product footprint shall refer to a measure of the amount of goods produced, imported, distributed or supplied by a product producer, and deemed to cause damage to the environment;

"(w-2) Product producer shall refer to any of the following persons:

(1) brand owner who sells or supplies any commodity under a brand, label or identity using a product it produced, or a material supplied to it by another manufacturer, or supplier; and

(2) product manufacturer or importer that supplies its commodities for the use of the general consumer, or distributes the same as a material product of a brand owner: *Provided*, That for purposes of Article 2 of Chapter III-A, in case the commodities are manufactured, assembled or processed by a product manufacturer for another obliged enterprise which affixes its own brand name, the latter shall be deemed as the manufacturer;

"x x x

"(qq-1) Sustainable consumption and production shall refer to the use of services and related products that respond to basic needs and bring a better quality of life, while minimizing the use of natural resources and toxic materials, as well as the emission of wastes and pollutants over the life cycle of the service or product, so as not to jeopardize the needs of future generations;

"x x x."

SEC. 4. Section 4 of Republic Act No. 9003 is hereby amended to read as follows:

"SEC. 4. *National Solid Waste Management Commission.* – There is hereby established a National Solid Waste Management Commission, hereinafter referred to as the Commission, under the Office of the President. The Commission shall be composed of eight (8) members from the government sector and five (5) members from the private sector. The government sector shall be represented by the heads of the following agencies in their *ex officio* capacity:

"(1) Department of Environment and Natural Resources (DENR);

"(2) Department of the Interior and Local Government (DILG);

"(3) Department of Science and Technology (DOST);

"(4) Department of Health (DOH);

"(5) Department of Trade and Industry (DTI);

"(6) Department of Agriculture (DA);

"(7) Metro Manila Development Authority (MMDA); and

"(8) Union of Local Authorities of the Philippines.

"The private sector shall be represented by the following:

"(a) Three (3) representatives from nongovernment organizations (NGOs) with a track record on solid waste management or waste reduction, recycling and resource recovery;

"(b) A representative from the recycling, composting, or resource recovery and processing industry; and

"(c) A representative from the manufacturing industry, packaging industry, or obliged enterprises;

"x x x

"*Provided*, That representatives from the private sector shall be appointed by the President for a term of three (3) years.

"x x x."

SEC. 5. Section 7 of Republic Act No. 9003 is hereby amended to read as follows:

"SEC. 7. *The National Ecology Center.* - There shall be established a National Ecology Center (NEC) under the Commission which shall provide technical expertise, information, training, and networking services for the implementation of the provisions of this Act. As part of its oversight function, the NSWMC shall have direct supervision over the NEC.

"In this regard, the NEC shall perform the following functions:

"(a) Facilitate training and education in integrated ecological solid waste management;

"(b) Establish and manage a solid waste management information database, in coordination with the DTI and other concerned agencies:

"(1) on solid waste generation and management techniques as well as the management, technical and operational approaches to resource recovery;

"(2) of processors/recyclers, the list of materials being recycled or bought by them and their respective prices; and

"(3) on the rate of recovery of each type of plastic waste, updated semi-annually;

"(c) Promote the development of a recycling market through the establishment of a national network that will enhance the opportunity to recycle;

"(d) Maintain an EPR Registry that contains the registered EPR programs submitted by obliged enterprises or Producer Responsibility Organizations (PROs);

“(e) Monitor and evaluate the compliance of obliged enterprises and PROs, with the registration of their EPR programs;

“(f) Develop and maintain a database, which includes digital formats, subject to the provisions of Section 44-G, and ensure that it is reliable, effective, secure, transparent, and accessible to the public;

“(g) Receive sampling and assessment reports submitted pursuant to second paragraph of Section 44-H and undertake the necessary action on such reports, or complaints from any citizen against a waste generator, an obliged enterprises, PRO, or waste management entity, for the purpose of improving compliance with the law;

“(h) Provide or facilitate expert assistance in pilot modeling of solid waste management facilities;

“(i) Develop, test, and disseminate model on waste minimization and reduction auditing procedures for evaluating options; and

“(j) Within one (1) year after the effectivity of the Extended Producer Responsibility Act of 2022, provide an assessment on the volume or footprint of other generated wastes, for priority inclusion in the EPR scheme.

“The National Ecology Center shall be headed by the Assistant Director of the Bureau in his/her *ex officio* capacity. The Assistant Director shall regularly submit reports as may be required by the NSWMC in its monthly meetings. The reports of the NEC shall be consolidated by the NSWMC Secretariat for submission to the NSWMC. The NEC shall maintain a multi-sectoral, multi-disciplinary pool of experts including those from the academe, inventors, practicing professionals, business and

industry, youth, women, and other concerned sectors, who shall be screened according to qualifications set by the Commission.”

SEC. 6. Republic Act No. 9003 is hereby further amended by inserting a new chapter after Chapter III to read as follows:

“CHAPTER III-A

“EXTENDED PRODUCER RESPONSIBILITY

“ARTICLE 1

“National Framework for All Types of Product Wastes

“SEC. 44-A. *National Framework for Extended Producer Responsibility*. – Unless otherwise provided under Article 2 of this Chapter, within three (3) months following the effectivity of the Extended Producer Responsibility Act of 2022, the Department, in consultation with the NSWMC, shall formulate a national framework on EPR for all types of product wastes. The framework shall include the following components:

“(a) Reduction of non-environment friendly products which may include the following activities and strategies:

“(1) adoption of reusable products, or redesign of the products to improve its reusability, recyclability, or retrievability;

“(2) inclusion of recycled content or recycled materials in a product;

“(3) adoption of appropriate product refilling systems for retailers;

"(4) viable reduction rates plan;

"(5) information and education campaign schemes; and

"(6) appropriate labeling of products, including the information thereon for the proper disposal of the waste product.

"(b) Product waste recovery programs aimed at effectively preventing waste from leaking to the environment, which may include the following activities:

"(1) waste recovery schemes through redemption, buy-back, offsetting, or any method or strategy that will efficiently result in the high retrievability, high recyclability, and resource recovery of waste products;

"(2) diversion of recovered waste into value chains and value-adding useful products through recycling and other sustainable methods;

"(3) transportation of recovered waste to the appropriate composting, recycling, or other diversion or disposal site in the country;

"(4) clean-up of waste leaked to coastal areas, public roads, and other sites;

"(5) establishment of commercial or industrial scale recycling, composting, thermal treatment, and other waste diversion or disposal facilities for waste products, when investment therein is viable; and

"(6) partnership with LGUs, communities, and the informal waste sectors.

"ARTICLE 2

"Extended Producer Responsibility for Plastic Packaging

"SEC. 44-B. *Obligated Enterprises Under This Article.* – Product producers obliged to implement EPR under this Article shall refer to large enterprises that generate plastic packaging waste: *Provided, however,* That micro, small and medium enterprises defined under Republic Act No. 9501 shall not be covered: *Provided, further,* That in case the total value of assets of all enterprises carrying the same brand, label or trademark exceeds that of medium enterprises stated under Republic Act No. 9501, these enterprises shall be deemed obliged enterprises.

"Notwithstanding the provisions of the immediately preceding paragraph, micro, small, and medium enterprises are encouraged to practice EPR voluntarily, or be a part of the network of obliged enterprises or producer responsibility organizations practicing EPR.

"SEC. 44-C. *Plastic Packaging Covered by EPR.* – For the purpose of Article 2 of Chapter III-A of this Act, plastic packaging shall refer to products utilized to carry, protect, or pack goods for transportation, distribution, and sale.

"Plastic packaging shall include the following:

"(a) Sachets, labels, laminates and other flexible plastic packaging products, whether single layer or multi-layered with plastics or other materials;

"(b) Rigid plastic packaging products, whether layered with any other materials, which include containers for beverages, food, home, personal care

and cosmetic products, including their coverings, caps, or lids and other necessities or promotional items, such as cutlery, plates, drinking straws, or sticks, tarps, signage, or labels;

“(c) Plastic bags, which include single-use plastic bags, for carrying or transporting of goods, and provided or utilized at the point of sale; and

“(d) Polystyrene.

“SEC. 44-D. *EPR Mandates.* – Notwithstanding the provisions of Section 44-A, obliged enterprises shall, within six (6) months following the effectivity of the Extended Producer Responsibility Act of 2022, establish or phase-in EPR programs for plastic packaging to achieve efficient management of plastic packaging waste, reduced production, importation, supply or use of plastic packaging deemed low in reusability, recyclability or retrievability, and plastic neutrality through efficient recovery and diversion schemes.

“The programs under this section may include the activities and strategies stated under paragraphs (a) and (b) of Section 44-A: *Provided*, That their mechanisms and strategies are submitted to the NSWMC, through the Department. Obligated enterprises shall institute an EPR program either individually or collectively, whether with or without a PRO.

“SEC. 44-E. *EPR Registration.* – An obliged enterprise or the PRO shall register EPR programs with the NSWMC, through the Department.

“The NSWMC shall ensure that the EPR programs submitted by an obliged enterprise or PRO, as the case may be, include the following information:

“(a) Obligated enterprise or PRO information, and contact information of the person responsible for its EPR;

“(b) Specific type of packaging materials as covered by Section 44-C, and product brands;

“(c) Whether the EPR program is to be implemented individually, collectively, or through a PRO;

“(d) Verifiable volume or weight of the plastic packaging brought into the market within a specified period;

“(e) Target volume or weight of plastic packaging waste for recovery, reuse, and recycling;

“(f) Other EPR programs, such as the redesign of plastic packaging to improve reuse or recyclability;

“(g) Labeling of packaging materials to facilitate recovery, reuse, recycling or proper disposal of packaging materials;

“(h) Status of implementation of the EPR mechanisms; and

“(i) Status of compliance.

“As an initial compliance with the provisions of this section, obliged enterprises or PRO shall submit and register their EPR program to the NSWMC, through the Department, within six (6) months upon the effectivity of the Extended Producer Responsibility Act of 2022.

“The Department, through the Environmental Management Bureau, and in coordination with the NSWMC, shall monitor and evaluate the compliance

of obliged enterprises or their PROs with their respective EPR programs. For this purpose, obliged enterprises or their PROs shall be required to submit annual compliance reports.

"SEC. 44-F. *Compliance Period for Plastic Packaging Recovery Programs.* – Notwithstanding the provisions of the immediately preceding Article, and to give the obliged enterprises and PROs sufficient period to adjust to their EPR duties and responsibilities and improve their performance over time, obliged enterprises under this Article shall likewise establish and phase-in recovery programs that will achieve plastic neutrality. The programs may include the activities stated under paragraph (b) of Section 44-A.

"For this purpose, obliged enterprises that generate either rigid or flexible plastic packaging shall recover or offset their respective plastic packaging footprint.

"The following targets for the recovery of plastic product footprint generated during the immediately preceding year are hereby set:

"December 31, 2023 – twenty percent (20%);

"December 31, 2024 – forty percent (40%);

"December 31, 2025 – fifty percent (50%);

"December 31, 2026 – sixty percent (60%);

"December 31, 2027 – seventy percent (70%);

and

"December 31, 2028 and every year thereafter – eighty percent (80%).

"For this purpose, obliged enterprises shall submit the report of their compliance including appropriate documentation to the Department.

"SEC. 44-G. *Audits.* – Obligated enterprises or their PROs shall establish and implement an auditing system to monitor and assess their compliance performance with this Act and their EPR programs. For this purpose, the obliged enterprises or their PRO shall engage an independent third-party auditor to certify the veracity of the reported plastic product footprint generation, recovery, and EPR program compliance, using uniform standards established by the Department. The audited report shall be submitted by the obliged enterprises or their PROs to the Department.

"The certified reports on plastic product footprint generated and recovered by the obliged enterprises shall be made available to the public through the website of the Department: *Provided*, That a record, report, or information, or particular portion thereof deemed by the Department as confidential, shall not be made public when such would divulge trade secrets, production or sales figures, or methods and processes unique to the enterprise that would otherwise tend to adversely affect its competitive position.

"SEC. 44-H. *Producer Responsibility Organization (PRO).* – Obligated enterprises may voluntarily organize themselves to form or authorize a PRO for the purpose of establishing a viable platform to implement their EPR program under this Article.

"For this purpose, the Department, in consultation with the NSWMC and obliged enterprises or their PRO, shall establish a system or parameters necessary to make the PRO sustainable and compliant with the purposes of this

Act. These shall include standards, rules or guidelines for the following:

- “(a) Organizational structure and leadership;
- “(b) Membership requirements;
- “(c) Duties and responsibilities, to include:
 - “(1) implementation parameters of the EPR program;
 - “(2) financing mechanisms;
 - “(3) cooperation mechanism with other stakeholders, waste management entities, distributors, retailers, grocery and store owners, junkshop operators, and individuals or entities in the informal sector involved in waste management; and
 - “(4) implementation strategies;
 - “(d) Setting standards towards plastic neutrality;
 - “(e) Reporting, verification, and auditing of waste footprint generation, recovery, and diversion; and
 - “(f) Data collection and database maintenance.”

SEC. 7. Section 45 of Republic Act No. 9003 is hereby amended to read as follows:

“SEC. 45. *Incentives.* –

- “(a) Rewards and recognitions, monetary or otherwise, shall be provided to individuals, private organizations and entities, obliged enterprises, and PROs, including nongovernment organizations, that

have undertaken outstanding and innovative projects, technologies, processes and techniques or activities in reuse, recycling, and reduction. Said rewards shall be sourced from the Fund herein created.

“(b) An incentive scheme is hereby provided for the purpose of encouraging LGUs, enterprises, or private entities, including obliged enterprises, PROs, and NGOs, to develop or undertake an effective solid waste management, including recovery and diversion of plastic product footprint, or actively participate in any program geared towards the promotion thereof as provided for in this Act, as amended.

“(1) Fiscal Incentives –

“(a) Tax incentives – Any provision of law to the contrary notwithstanding, obliged enterprises or PROs acting on their behalf, and other registered business enterprises may apply for incentives following the approval process provided under Title XIII (Tax Incentives) of the National Internal Revenue Code of 1997, as amended, for eligible activities: *Provided*, That such activities shall undergo the standard processes in the identification of qualified activities under the Strategic Investment Priority Plan (SIPP).

“(b) The EPR expenses of obliged enterprises, PROs, and private enterprises shall be considered as necessary expenses deductible from gross income subject to the substantiation requirements for necessary business expenses deductible from gross annual income in accordance with Section 34(A)(1) of the National Internal Revenue Code of 1997, as amended.

“(c) Tax and Duty Exemption of Donations, Legacies and Gift – x x x.”

SEC. 8. Section 49 of Republic Act No. 9003 is hereby amended to read as follows:

“SEC. 49. *Fines and Penalties.* – (a) x x x

“(g) Any obliged enterprise that fails to register under Section 44-E or fails to comply with Section 44-F shall be imposed with the following fines:

“(1) a fine of not less than Five million pesos (P5,000,000.00) but not exceeding Ten million pesos (P10,000,000.00) for the first offense;

“(2) a fine of not less than Ten million pesos (P10,000,000.00) but not exceeding Fifteen million pesos (P15,000,000.00) for the second offense; and

“(3) a fine of not less than Fifteen million pesos (P15,000,000.00) but not exceeding Twenty million pesos (P20,000,000.00) for the third offense and automatic suspension of business permit until the requirement of the law is complied with.

“In case of failure to meet the targets set under Section 44-F, the obliged enterprise shall pay the same fines set above, or a fine twice the cost of recovery and diversion of the footprint or its shortfall, whichever is higher.

“The penalty shall be imposed whether or not the noncompliance is the result of the failure to register under Section 44-E, falsification of documents, misdeclaration of generated or recovered footprint, employment of any scheme to maliciously evade the responsibility of an enterprise under the Extended Producer Responsibility Act of 2022, or tamper its compliance with the provisions of Section 44-F.

“The Pollution Adjudication Board of the Department shall hear and adjudicate cases of

violations or offenses under this section, and impose appropriate fines therefor.”

SEC. 9. *Mandatory Review.* – Within five (5) years after the effectivity of this Act, or as the need arises, Congress shall review the accomplishments, and impact of this Act, as well as the performance of its implementing agencies, and the compliance of obliged enterprises to achieve the objectives of this Act, for the purpose of determining the necessity of a remedial legislation mandating for more stringent footprint recovery targets, higher incentives, or phase-out of certain types of single-use plastic packaging.

Within one (1) year after the effectivity of this Act, the NEC shall further identify, review, and update the list of non-environmentally acceptable products and plastic packaging material that shall be phased out, especially those that are highly unnecessary or replaceable, or cannot be efficiently reused, recovered, or recycled, consistent with the provisions of this Act.

SEC. 10. *Appropriations.* – The sum necessary for the effective implementation of this Act shall be charged against the appropriations for the DENR under the General Appropriations Act: *Provided,* That obliged enterprises and the respective PROs shall be responsible for the funds necessary to operationalize and maintain the EPR programs, in compliance with this Act and its implementing rules and regulations.

SEC. 11. *Implementing Rules and Regulations.* – The DENR, in consultation with relevant government agencies, representatives from obliged enterprises, and other stakeholders shall formulate the rules and regulations necessary to implement the provisions of this Act within ninety (90) days from its effectivity.

SEC. 12. Section 60 of Republic Act No. 9003 is hereby amended to read as follows:

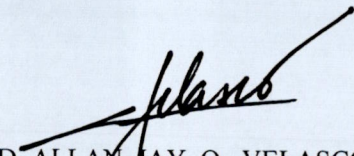
“SEC. 60. *Joint Congressional Oversight Committee.* – There is hereby created a Joint Congressional Oversight Committee to monitor the implementation of the Act and to oversee the functions of the implementing agencies. The Committee shall be composed of five (5) Senators and five (5) Representatives to be appointed by the Senate President and Speaker of the House of Representatives, respectively. The Oversight Committee shall be co-chaired by the Chairpersons of the Committee on Environment, Natural Resources and Climate Change of the Senate and the Committee on Ecology of the House of Representatives.”

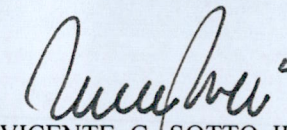
SEC. 13. *Separability Clause.* – If any portion or provision of this Act is declared unconstitutional, the remainder of this Act or any provision not affected thereby shall remain in force and effect.

SEC. 14. *Repealing Clause.* – Any law, presidential decree or issuance, executive order, letter of instruction, rule or regulation inconsistent or contrary to the provisions of this Act is hereby repealed or modified accordingly.

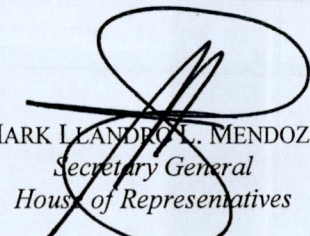
SEC. 15. *Effectivity.* – This Act shall take effect after fifteen (15) days following its complete publication in the *Official Gazette* or in a newspaper of general circulation.

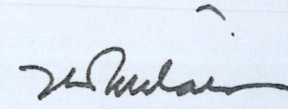
Approved,


LORD ALLAN JAY Q. VELASCO
*Speaker of the House
of Representatives*


VICENTE C. SOTTO III
President of the Senate

This Act which is a consolidation of Senate Bill No. 2425 and House Bill No. 10696 was passed by the Senate of the Philippines and the House of Representatives on May 23, 2022 and May 26, 2022, respectively.


MARK LEANDRO L. MENDOZA
*Secretary General
House of Representatives*


MYRA MARIE D. VILLARICA
Secretary of the Senate

Approved:

JUL 23 2022
~~Lapsed into law on~~
without the signature of the President, in accordance with Article VI, Section 27 (1) of the Constitution

RODRIGO ROA DUTERTE
President of the Philippines

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