

NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)



'22 NOV -9 P1 :12

SENATE
S. No. 1481

RECEIVED BY: 

Introduced by SENATOR RAMON BONG REVILLA, JR.

AN ACT
PROMOTING THE RIGHT TO REPAIR DIGITAL ELECTRONIC PRODUCTS,
AND APPROPRIATING FUNDS THEREFOR

EXPLANATORY NOTE

With the onset of the New Normal, there is an increased demand and dependence on digital electronic products. Electronic gadgets such as mobile phones and tablets became necessities with the introduction of blended learning. Laptops and other office equipment became staples inside residences with the implementation of work-from-home setup. With the shift to online platforms of government transactions and private sector services due to mobility restrictions brought about by the health protocols, there was an inevitability of, if not absolute reliance on, digital electronic products to conduct our everyday business.

Unfortunately, the ubiquity of these devices in the modern age resulted in an increase in electronic waste or E-waste. The Global E-Waste Monitor (December 2020) reported that in 2019, 53.6 million metric tonnes of e-waste were generated around the world, with an average of 7.3 kg per capita. The number grew by 9.2 Mt since 2014 and is projected to grow to 74.7 Mt by 2030. In the same report, the Philippines recorded 425 kt of e-waste in 2019, and was identified as the third biggest generator of e-waste in the South-Eastern Asian region (next to Indonesia with 1.618 kt and Thailand with 621 kt). In addition, the United Nations Environment Programme (UNEP) estimates that only 20% of e-waste, which contain hazardous and toxic components, are properly collected, treated and recycled.

Among the reasons cited for the rapid accumulation of e-waste include higher consumption of electronic products, short life cycles, and few repair options. Sadly, the limited repair options are perpetrated by the manufacturers who employ all sorts of strategies (from specially-made screws to system locks) to restrict third-party repair, which would often be more practical to the consumer.

This bill promotes and strengthens the consumers' right to repair by making available to them necessary information and tools and empowering them to repair, on their own or through independent repair centers, their purchased electronic equipment at reasonable costs at the most convenient means possible. For instance, far flung communities who use digital electronic equipment for online learning may not have ready access to authorize repair providers, and may encounter software and hardware restrictions if proper information and tools for repair are not made available.

This measure seeks to promote consumer welfare by allowing them to access and to select the best option from a range of repair and refurbishment services, and not be confined to just one. It also enables consumers to optimize the use of any digital electronic product and encourage long-term usage, without resorting to immediate disposal of items, thereby reducing wastage.

This policy is also in line with the attainment of Sustainable Development Goal (SDG) 12: Responsible Consumption and Production, which lists among its targets the substantial reduction of waste generation through prevention, reduction, recycling and reuse, and the adoption of sustainable practices among large and transnational companies.

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



RAMON BONG REVILLA, JR.

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

1 Section 1. *Short Title.* - This Act shall be known as the "*Right to Repair Act.*"

2 Sec. 2. *Declaration of Policy.* - The State shall adhere to the policy of protecting
3 the interests of consumers, promoting their general welfare, and establishing the
4 standards of conduct for businesses and industries. Thus, the State shall expand
5 consumer choice by allowing them to have the right set of information and tools to
6 either repair their own products or provide the option for local repair businesses to do
7 so. The State shall also protect the consumers from possible trade and sales
8 malpractices from manufacturers.

9 Sec. 3. *Definition of Terms.* - For purposes of this Act, the following terms shall
10 mean:

11 a. *Authorized repair provider* -

- 12 i. A person licensed by an original equipment manufacturer to use a trade
13 name, service mark, related characteristic to offer repair services under
14 the name of the original equipment manufacturer; or
15 ii. A person contracted by an original equipment manufacturer to provide
16 refurbishing services for products manufactured by the manufacturer.

- 1 b. *Embedded software* – also known as basic internal operating system, internal
2 operating system, machine code, assembly code, root code, or microcode,
3 means any programmable instructions provided on firmware delivered with
4 equipment for equipment operation, including all relevant software updates
5 made by the original equipment manufacturer.
- 6 c. *Digital electronic product* – a part or machine containing a microprocessor
7 originally manufactured for distribution and sale in the country.
- 8 d. *Documentation* – manuals, schematic diagrams, reporting output, or service
9 code description provided to the authorized repair provider for the purpose of
10 effecting repair.
- 11 e. *Fair and reasonable terms* – In determining whether a price is on fair and
12 reasonable terms, consideration may be given to relevant factors, including,
13 but not limited to:
- 14 i. The net cost to the authorized repair provider for similar parts obtained
15 from original equipment manufacturers, less any discounts, rebates or
16 other incentive programs;
- 17 ii. The cost to the original equipment manufacturer for preparing and
18 distributing the parts or product excluding any research and
19 development costs incurred in designing and implementing, upgrading,
20 or altering the product, but including amortized capital costs for the
21 preparation and distribution of the parts; and
- 22 iii. The price charged by other original equipment manufacturers for similar
23 parts or products.
- 24 f. *Independent repair provider* – a person operating who is:
- 25 i. Not affiliated with an original equipment manufacturer or an original
26 equipment manufacturer’s authorized repair provider; and
- 27 ii. Engaged in the diagnosis, service, maintenance, or repair of equipment:
28 *Provided*, That an original equipment manufacturer shall be considered
29 an independent repair provider if the original equipment manufacturer
30 diagnoses, services, maintains, or repairs equipment that is not
31 manufactured by the original equipment manufacturer.

- 1 g. *Medical device* – equipment that is intended for use in the diagnosis, treatment,
2 or prevention of disease in humans or animals.
- 3 h. *Original equipment manufacturer* – a person who in the ordinary course of
4 business sells or leases new equipment to any person and diagnoses, services,
5 maintains or repairs that equipment.
- 6 i. *Owner* – a person who owns or leases equipment that is purchased or used in
7 the country.
- 8 j. *Part or service part* – any new or used component made available by an original
9 equipment manufacturer to an authorized repair provider to repair equipment.
- 10 k. *Remote diagnosis* – any transfer of data relating to settings, controls, or
11 location identification between equipment and a provider of repair services.
- 12 l. *Service parts* – replacement parts, either new or used, made available by the
13 manufacturer to the authorized repair provider for the purpose of effecting
14 repair.
- 15 m. *Trade secret* – anything tangible or intangible or electronically stored or kept,
16 which constitutes, represents, evidences or records intellectual property,
17 including secret or confidentially held designs, processes, procedures, formulas,
18 inventions or improvements, or secrets of confidentially-held scientific,
19 technical, merchandising, production, financial, business or management
20 information, among others.

21 Sec. 4. *Coverage*. – Owners and independent repair providers shall be given
22 the right to repair their own digital electronic products, including medical devices, by
23 giving them proper information and tools from the original equipment manufacturers.

24 Sec. 5. *Availability of Diagnostic and Repair Information*. - Original equipment
25 manufacturers shall make available all diagnostic and repair information, including
26 repair technical updates, schematic diagrams, updates, corrections to embedded
27 software, and safety and security patches to owners and independent repair providers
28 of equipment manufactured: *Provided*, That they shall be offered:

- 29 1. Free of charge or for no more than what the original equipment manufacturer
30 would charge to make the same information available to an authorized repair
31 provider; and

1 2. In the same format that the original equipment manufacturer would use to
2 make the same information available to an authorized repair provider.

3 *Sec. 6. Availability of Diagnostic and Repair Tools.* – Original equipment
4 manufacturers shall make available for sale to owners and independent repair
5 providers all diagnostic repair tools, incorporating the same diagnostic, repair and
6 remote diagnosis capabilities that the original equipment manufacturer makes
7 available to its own repair or engineering staff or an authorized repair provider, upon
8 fair and reasonable terms.

9 *Sec. 7. Documentation Format.* – Original equipment manufacturers shall
10 provide diagnostic, service, or repair documentation in the standardized format only,
11 unless the proprietary format includes diagnostic, service, or repair documentation or
12 functionality that is not available in the standardized format.

13 *Sec. 8. Third-Party Providers.* – An original equipment manufacturer that
14 provides diagnostic repair documentation to third party diagnostic tool manufacturers,
15 diagnostics manufacturers, or service information publications shall be deemed to
16 have fully satisfied its obligations under Sections 5 and 6, and shall not be responsible
17 for the content and functionality of the diagnostic tools, diagnosis, or service
18 information publications offered or sold by the third-party manufacturers.

19 *Sec. 9. Security Functions.* – An original equipment manufacturer of equipment
20 or parts sold or used in the country for security-related functions shall make diagnostic,
21 service and repair information necessary to reset a security-related electronic function
22 from the information provided to owners and independent repair providers. An original
23 equipment manufacturer may provide the information necessary to reset an
24 immobilizer system or a security-related electronic module to owners and independent
25 repair providers through an appropriate secure data release system.

26 *Sec. 10. Limitations.* – Nothing in this Act shall be construed to:

- 27 a. Require an original equipment manufacturer to divulge a trade secret;
28 b. Abrogate, interfere with, contradict, or alter the terms of any agreement
29 between an authorized repair provider and an original equipment manufacturer,
30 including the performance or provision of warranty or recall repair work by an
31 authorized repair provider on behalf of an original equipment manufacturer:
32 *Provided,* That any provision of an agreement that waives, avoids, restricts, or

1 limits an original equipment manufacturer's compliance with this Section shall
2 be void;

- 3 c. Require an original equipment manufacturer or authorized repair provider to
4 provide an owner or independent repair provider access to non-diagnostic and
5 repair information provided by an original equipment manufacturer to an
6 authorized repair provider pursuant to the terms of an authorizing agreement;
- 7 d. Require a manufacturer of a medical device to comply with any provision of this
8 Act that conflicts with Republic Act (RA) No. 3720, otherwise known as the
9 "*Food, Drug and Cosmetic Act,*" as amended;
- 10 e. Avoid any warranty due to the consumer's exercise of their right to repair,
11 including, but not limited to, resorting to independent repair providers.

12 *Sec. 11. Failure of Original Equipment Manufacturer to Provide Diagnostic and*
13 *Repair Information and Tools.* – An owner or an independent repair provider who
14 believes that a manufacturer has failed to provide information, including
15 documentation, updates to firmware, safety and security corrections, diagnostics,
16 documentation, or a tool required by this Act, shall notify the manufacturer in writing
17 and give the manufacturer thirty (30) days from receipt of the complaint to cure the
18 failure. If the manufacturer cures such a complaint within the cure period, damages
19 shall be limited to actual damages in any subsequent litigation.

20 If the manufacturer fails to respond to the notice provided, or if an owner or
21 an independent repair provider is not satisfied with the manufacturer's cure, the owner
22 or independent repair provider may file a complaint before the proper court. The
23 complaint shall include the following:

- 24 1. Written information confirming that the complainant has attempted to acquire and
25 use, through the then available standard support function provided by the
26 manufacturer, all relevant diagnostics, tools, service parts, documentation, and
27 updates to embedded software, including communication with customer assistance
28 via the manufacturer's then standard process, if made available by the
29 manufacturer; and
- 30 2. Evidence of manufacturer notification in this Section.

31 It shall be penalized by imprisonment ranging from six (6) months to six (6)
32 years and a fine of not less than One hundred thousand pesos (Php 100,000.00) but

1 not more than One million pesos (Php 1,000,000.00), or both, at the discretion of the
2 court.

3 If the offender is a corporation, the penalty may, at the discretion of the court,
4 be imposed upon such corporation and/or upon its directors, trustees, members,
5 officers, or employees responsible for the violation or indispensable to its commission.

6 The owner or independent repair provider may, however, elect to file a
7 complaint with the Department of Trade and Industry (DTI), in accordance with the
8 provisions of Title III, Chapter III or Title V, Chapter III of RA 7394, or the "*Consumer*
9 *Act of the Philippines*," or such other proceeding as may be specified in the
10 implementing rules and regulations provided under Section 13 hereof: *Provided*, That
11 fines shall not be less than One hundred thousand pesos (Php 100,000.00) but not
12 more than One million pesos (Php 1,000,000.00).

13 Sec. 12. *Appropriations*. – The funding requirements for the initial
14 implementation of this Act shall be charged against the current year's budget of the
15 Department of Trade and Industry. Thereafter, it shall be included in the annual
16 General Appropriations Act.

17 Sec. 13. *Implementing Rules and Regulations (IRR)*. – Within ninety (90) days
18 from the approval of this Act, the DTI, in consultation with other concerned
19 government agencies and stakeholders, shall formulate the rules and regulations
20 implementing the provisions of this Act.

21 Sec. 14. *Separability Clause*. – If any provision or part hereof is held invalid or
22 unconstitutional, the remainder of the law or the provision or part not otherwise
23 affected shall remain in full force and effect.

24 Sec. 15. *Repealing Clause*. – Any law, presidential decree or issuance, executive
25 order, letter of instruction, administrative order, rule, or regulation contrary to or
26 inconsistent with the provisions of this Act are hereby repealed, modified, or amended
27 accordingly.

28 Sec. 16. *Effectivity*. – This Act shall take effect fifteen (15) days after its
29 complete publication in the *Official Gazette* or in two (2) newspapers of general
30 circulation in the Philippines.

Approved,