



Republic of the Philippines
Professional Regulation Commission
 Manila



PROFESSIONAL REGULATORY BOARD OF ACCOUNTANCY
 Resolution No. 06
 Series of 2025

**ADOPTING THE AUDITING AND ASSURANCE STANDARDS COUNCIL
 PRONOUNCEMENTS AS PART OF THE PHILIPPINE AUDITING STANDARDS**

WHEREAS, the Auditing and Assurance Standards Council (AASC) has approved and submitted below pronouncement to the Professional Regulatory Board of Accountancy (Board) for approval:

- Amendments to DENR Administrative Order No. 2024-04 Compliance Reporting and Audit Guidelines for the Extended Producer Responsibility Act of 2022 (Act)**

WHEREAS, after study and review of the provisions of the above-stated pronouncement as adopted by the AASC, the Board finds them to be well-taken and instructive for compliance by practicing Certified Public Accountants;

WHEREFORE, the Board **RESOLVES**, as it is hereby **RESOLVED**, to adopt the above-stated pronouncement as part of the Philippine Auditing Standards.

RESOLVED FURTHER, that this Resolution and the above-stated pronouncement shall take effect after fifteen (15) days following its publication in the Official Gazette or in any newspaper of general circulation in the Philippines.

Done in the City of Manila, this 19th day of March, 2025.

U.P. LAW CENTER
 OFFICE of the NATIONAL ADMINISTRATIVE REGISTER
 Administrative Rules and Regulations

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NOE G. QUINANOLA
 Chairman

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SAMUEL B. PADILLA
 Vice-Chairman

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SHERWIN M. MARASIGAN
 Supervising Administrative Officer
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 Date APR 21 2025

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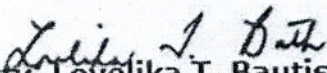
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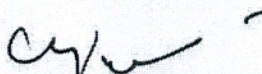
PROFESSIONAL REGULATORY BOARD OF ACCOUNTANCY


Resolution No. 06 (s. 2025)
Adopting the Auditing and Assurance Standards Council
Pronouncements as Part of the Philippine Auditing Standards
Page 2 of 2

ATTESTED BY:


Atty. Lovelika T. Bautista
Chief, PRB Secretariat Division

APPROVED:

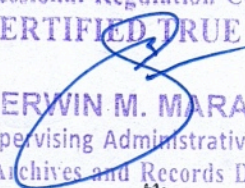

CHARITO A. ZAMORA
Chairperson


ERWIN M. ENAD
Commissioner

VACANT
Commissioner

DATE OF PUBLICATION IN THE
BUSINESS MIRROR : 31 MARCH 2025
EFFECTIVE DATE: 14 APRIL 2025

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SHERWIN M. MARASIGAN
Supervising Administrative Officer
Archives and Records Division

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Date: APR 21 2025

№25-0445



DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES
KAGAWARAN NG KAPALIGIRAN AT LIKAS YAMAN



APR 22 2024

DENR Administrative Order
No. 2024- 04

**SUBJECT: COMPLIANCE REPORTING AND AUDIT GUIDELINES
FOR REPUBLIC ACT NO. 11898 OR THE EXTENDED
PRODUCER RESPONSIBILITY ACT OF 2022**

Pursuant to Section 11 of Republic Act No. 11898, otherwise known as the "Extended Producer Responsibility Act of 2022," amending for this purpose Republic Act No. 9003, otherwise known as the "Ecological Solid Waste Management Act of 2000," Sections 17.1 and 19 of Department Administrative Order (DAO) No. 2023-02 also known as the "Implementing Rules and Regulations of Republic Act No. 11898," and by virtue of Executive Order No. 192, Series of 1987, the Department of Environment and Natural Resources hereby adopts and promulgates the following Procedures and Guidelines:

SECTION 1. Basic Policy. It is hereby declared the policy of the State to adopt a systematic, comprehensive, and ecological solid waste management program to ensure the protection of public health and the environment, sustainable use of natural resources, and promote solid waste management and resource conservation throughout the country.

SECTION 2. Objectives. These Guidelines, which were developed together with the voluntary support and assistance from the Audit and Assurance Standards Council (AASC) and the Financial and Sustainability Reporting Standards Council (FSRSC), are hereby promulgated to achieve the following objectives:

- 2.1 To provide guidance and templates to Obligated Enterprises (OEs), Collectives, and Producer Responsibility Organizations (PROs), and their respective independent third-party EPR compliance auditors on complying with the requirements of Section 19 and its subsections of the EPR IRR pending the development, adoption and issuance by the DENR of the uniform standards for EPR compliance auditing and reporting and the accreditation rules and procedures for independent third-party EPR compliance auditors;
- 2.2 To serve as phase-in capacity and capability development mechanisms pending the adoption of said uniform standards and accreditation rules referred to in the immediately preceding section; and
- 2.3 To comply with Section 17.1 of DAO No. 2023-02 that stipulates that the National Ecology Center (NEC), in coordination with the Environmental Management Bureau (EMB), shall monitor and evaluate the compliance

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Date APR 21 2025

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of OEs, Collectives, and PROs, with their respective EPR programs, and submit regular reports thereof to the National Solid waste Management Commission (NSWMC).

SECTION 3. Scope and Coverage

- 3.1. These Guidelines shall be applicable to registered OEs, Collectives, and PROs who are required to submit their annual EPR Compliance Audit Report (ECAR) in accordance with Section 19 of the EPR IRR in relation to the last paragraph of Section 44-E and Section 44-G of the EPR Act of 2022. The ECAR consists of both the EPR Compliance Report (ECR) and the Audit Report.
- 3.2. These Guidelines are being issued to prescribe the minimum contents of the ECAR. OEs, Collectives, and PROs that contracted Limited or Reasonable Assurance engagements for their respective ECARs may continue to do so, provided the minimum contents or disclosures herein provided are complied with.

SECTION 4. Definition of Terms. In addition to the terms and conditions defined in the EPR Act of 2022 and its IRR, the following terms and conditions shall be interpreted to mean as follows:

- 4.1. **Accountable plastic footprints** – the actual plastic footprint generated for the reporting year which is the basis for the volume that the reporting entity is accountable to recover through their submitted EPR Program.
- 4.2. **Agreed-Upon Procedures** or AUP¹ – an engagement where the independent third-party auditor/practitioner performs the procedures that have been agreed upon with the DENR for the purpose of complying with Section 19 of the EPR-IRR.
- 4.3. **Auditor or CPA** – the Certified Public Accountant (CPA) duly accredited by the Professional Regulatory Board of Accountancy to engage in the public practice of accountancy. Section 19.3.3 of the EPR IRR states that they are qualified to conduct the compliance audit and certify the veracity and accuracy of the ECAR.
- 4.4. **Confidential Information** – a record, report, or information, or particular portion thereof determined by the Bureau to be confidential pursuant to Section 44-G of the Act, as amended by the EPR Act of 2022, as when the public disclosure thereof 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.

¹ This engagement follows the Internal Standard on Related Services 4400 (Revised), *Agreed-upon Procedures Engagements* issued by the International Auditing and Assurance Standards Board (IAASB). This has been approved for adoption by the Auditing and Assurance Standards Council (AASC) as Philippine Standard on Related Services (PSRS) 4400, *Agreed-upon Procedures Engagements*, effective for engagements for which terms are agreed on or after January 1, 2022.

- 4.5. **ECAR** – the EPR Compliance Audit Report required under Section 44-G of the Act, as amended by the EPR Act of 2022, which comprises both the ECR and the Audit Report, whether based on Agreed-upon procedures, Limited Assurance or Reasonable Assurance engagements.
- 4.6. **ECR** – the EPR Compliance Reports which the OEs, Collectives and PROs prepare annually. This shall be the basis for the conduct of an independent third-party audit and the issuance of the ECAR.
- 4.7. **Limited Assurance**² – a type of assurance engagement in which the independent third-party auditor reduces engagement risk to a level that is acceptable in the circumstances of the engagement but where the risk is greater than for a reasonable assurance engagement as the basis for expressing a conclusion in a form that conveys whether, based on the procedures performed and evidence obtained, a matter(s) has come to the auditor's attention to cause the auditor to believe the subject matter information is materially misstated.
- 4.8. **Reasonable Assurance**³ – a type of assurance engagement in which the auditor reduces engagement risk to an acceptably low level in the circumstances of the engagement as the basis for the auditor's conclusion. This follows the standards set forth in the Philippine Standard on Assurance Engagement (PSAE) 3000 (Revised).
- 4.9. **Reporting entity** – the OEs, Collectives, or PROs preparing and submitting the EPR Compliance Reports which is subjected to an independent third-party audit.
- 4.10. **Sampling** – the application of the agreed upon audit procedures to less than 100% of the items within the population of the audit such that all sampling units have a chance of selection in order to provide the auditor with a reasonable basis on which to draw conclusions about the entire population.
- 4.11. **SKU** – the stock keeping unit of products or services produced and sold by the reporting entity.

² Assurance engagements include both attestation engagements, in which a party other than the practitioner measures or evaluates the underlying subject matter against the criteria, and direct engagements, in which the practitioner measures or evaluates the underlying subject matter against the criteria. These engagements follow the standards set forth in the Philippine Standard on Assurance Engagements (PSAE) 3000 (Revised), *Assurance Engagements other than Audits or Reviews of Historical Financial Information* which contains requirements and application and other explanatory material specific to reasonable and limited assurance attestation engagements. This standard is effective for assurance engagements where assurance report is dated on or after December 15, 2015. Furthermore, this is based on the International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the International Auditing and Assurance Standards Board (IAASB).

³ Ibid.

SECTION 5. Compliance Reporting and Audit Guidelines

- 5.1. **EPR Compliance Report** – Pursuant to Sections 44-E and 44-F of the Act, as amended by the EPR Act of 2022, OEs, Collectives, and PROs shall submit an annual compliance report to the Department. This shall be called the EPR Compliance Report (ECR).
- 5.1.1. All registered OEs, Collectives and PROs shall prepare their annual ECR indicating the following:
- 5.1.1.1. Name of the registered OE, Collective and PRO and their EPR Registration number
 - 5.1.1.2. Reference Year which is the calendar year the report covers
 - 5.1.1.3. Summary of Accountable Plastic Footprint
 - 5.1.1.3.1. The accountable plastic footprint shall be presented in volume measured in terms of weight in kilograms, presented by material type (i.e. Flexibles, Rigid) with reference to Section 44-C of the EPR Act and Section 16.3.2 of the EPR IRR.
 - 5.1.1.3.2. For Collectives and PROs, the reported accountable plastic waste footprint should be presented as the aggregate footprint generated by its OE members. The Collective or PRO may require their respective OE members to submit their Audit Report covering their accountable footprints audited by an independent third-party auditor following the procedures set forth in Section 5.3.1.1.2.
 - 5.1.1.4. Summary of Accounted Plastic Waste Diverted
 - 5.1.1.4.1. Plastic waste diversion represents the recovery and plastic packaging waste diversion by waste diverters. The OE, Collective or PRO may require their waste diverters to have the volume diverted audited by an independent third-party auditor.
 - 5.1.1.4.2. The accounted plastic waste diversion shall refer to plastic waste recovered for reuse, recycled, diverted, or properly disposed under Section 44-A paragraph (b) of the EPR Act of 2022 and Sections 11.2 and 12.2 of the EPR IRR.
 - 5.1.1.4.3. Accounted plastic waste diverted shall be based on duly notarized diversion certificates in the name of the reporting entity or the OE member of a Collective or

PRO pursuant to Section 16.3.3 of the IRR in particular Sections 16.3.3.5, 16.3.3.6 and 16.3.3.7.

5.1.1.5. Plastic Waste Diversion Accomplishment

5.1.1.5.1. The reporting entity should show that their actual plastic waste diversion accomplishments met the minimum targets for the plastic product footprint generated in compliance with Section 44-F of the Act, as amended by the EPR Act of 2022.

5.1.1.5.2. Actual accomplishment is presented in percentage and computed as follows:

$$\text{Actual Accomplishment} = \frac{\text{Accounted plastic waste diverted (Section 5.1.1.4)}}{\text{Accountable plastic footprint (Section 5.1.1.3)}} \times 100$$

5.1.1.5.3. Actual accomplishment should be reported by material type.

5.1.1.6. As with other government regulatory reportorial requirements, such as the EMB Accountability Statement for ECC, the duly designated officer responsible for the EPR Program together with the President or Chief Executive Officer (CEO) or Executive Director or equivalent officer of the reporting entity shall execute Sworn Statements attesting to the veracity of data presented in the final ECR to be submitted together with the Audit Report.

5.1.2. The ECR should be based on the following supporting document, schedule, or report. These supporting documents should be made available to the auditors when they conduct the compliance audit.

5.1.2.1. EPR Program submitted to the EMB when they registered as an OE, Collective or PRO, and any subsequent amendments thereto.

5.1.2.2. Schedule of plastic footprint summary which should include the product/service quantity, SKU, plastic packaging type, and verifiable weight of the plastic package of products/services sold and any returns.

5.1.2.2.1. For the verification of the weight of the plastic packaging used per SKU, supporting document can be any of the following:

- 5.1.2.2.1.1. Supplier certification
- 5.1.2.2.1.2. Bill of materials
- 5.1.2.2.1.3. Certification by an expert (i.e. external engineer, in-house engineer)
- 5.1.2.2.1.4. Results of an internal or external study made
- 5.1.2.2.1.5. Other equivalent documentation (describe the document in sufficient detail)
- 5.1.2.2.2. For Collectives and PROs, the schedule of the accountable plastic footprint of their OE members should be made available to the auditors. Accountable footprints of the Collective and PRO represent the mandatory footprint of members who are classified as obliged enterprises according to the Act, as amended by the EPR Act of 2022. Collectives and PROs may require their OE members to submit third-party audited report covering their respective plastic footprint following the procedures set forth in Section 5.3.1.1.2
 - 5.1.2.2.2.1. For Collectives and PROs which require their OE members to submit third-party audit report covering their respective plastic footprint following the procedures set forth in Section 5.3.1.1.2, the schedule of accountable plastic footprint shall be supported by these audit reports covering the plastic footprints of their OE members.
- 5.1.2.3. Schedule of total plastic waste diverted which includes the name and official business address of the diverter, volume in kilograms diverted, plastic packaging type and the covered period of the diversion. These shall be supported by duly notarized Diversion Certificates pursuant to Section 16.3.3.5 of the EPR IRR.
- 5.1.3. The reporting entity may include voluntary disclosures in their ECR such as, but not limited to those enumerated in Section 6.
- 5.1.4. A sample ECR is shown in Annex A.
- 5.1.5. OEs may prepare sustainability reports⁴ using generally accepted reporting standards such as the International Sustainability

⁴ Pursuant to Securities and Exchange Commission (SEC) Memorandum Circular No. 4 series of 2019, public listed companies are required to prepare and submit their sustainability report annually starting reporting year 2019 for submission in 2020. The said memorandum circular provides guidelines on the preparation of sustainability reports using internationally recognized frameworks and standards. In 2020, the Bangko Sentral

Standards Board (ISSB) and Global Reporting Initiative (GRI). The relationship and intersection of the ECR and the sustainability reporting is illustrated in Appendix 2.

- 5.2. **EPR Compliance Audit Report** – Pursuant to Section 44-G of the Act, as amended by the EPR Act of 2022, OEs, Collectives, and PROs shall engage an independent third-party auditor to certify the veracity of the reporting plastic product footprint generation, recovery, and EPR program compliance, using uniform standards established by the Department.

Section 19.3 of the EPR IRR provides interim measures for the compliance audit and the submission of an ECAR by an independent third-party auditor engaged by the reporting entity. The auditor must not be an officer or employee of the reporting entity nor its affiliates and must be a Certified Public Accountant⁵. The ECAR should bear the signature of the auditor and include the following information:

- a) Certificate Number
- b) Professional Regulatory Board of Accountancy accreditation number with date of issue and expiration
- c) Professional Tax Receipt number with date and place of issue
- d) Tax Identification Number

- 5.2.1. Pursuant to Section 19.1.2 of the EPR IRR, the ECAR shall cover the ECR prepared by the reporting entity which includes the following:

- 5.2.1.1. Footprint declaration of reporting entity with breakdown in terms of material types
- 5.2.1.2. Recovery or plastic package waste diversion by waste diverters
- 5.2.1.3. Determination of the equivalent plastic packaging waste footprint reduction resulting from other EPR programs, as applicable

ng Pilipinas issued Circular No. 1085 series of 2020 requiring the integration of sustainability principles in the corporate governance and risk management frameworks as well as strategic objectives and operations of banks. The submission of sustainability reports following the SEC guidelines complies with this requirement.

⁵ Pursuant to Section 9 (g) and (h) of the RA 9298 (Philippine Accountancy Act of 2004), Certified Public Accountants who are engaged in public practice or as independent auditors are subject to the conduct of an oversight into the quality of their audit through peer review. Section 36 of the RA 9298 states that violation of any provisions shall be punished by a fine without prejudice to the imposition of administrative penalties of warning, admonition, fine, suspension or cancellation of the professional license as a CPA. The Rules and Regulations on the conduct of this oversight is promulgated under the Professional Regulatory Board of Accountancy (PRBOA) Resolution 57 Series of 2023 – Quality Assurance Review (QAR) Program.

5.2.1.4. Confirmation of records, reports, or information, or particular portions thereof, which the reporting entity considers and declares to be "confidential".

5.2.2. The deadline for the submission to the EMB of the ECARs shall be on June 30 or the first working day immediately thereafter of the year following the reporting year in accordance with the following schedule:

Reporting Year	Basis for the Plastic Footprint	Basis for the Diversion	Target Diversion	ECAR Due Date
2023	2022 or 2023 *	2023	20%	July 1, 2024 (Mon)
2024	2023	2024	40%	June 30, 2025 (Mon)
2025	2024	2025	50%	June 30, 2026 (Tue)
2026	2025	2026	60%	June 30, 2027 (Wed)
2027	2026	2027	70%	June 30, 2028 (Fri)
2028	2027	2028	80%	July 2, 2029 (Mon)
t	t-1	t	80%	t+6 months
* Transitory provision for Year 1.				

The basis for the plastic footprints to be diverted should be the products/services released to the market the year preceding the compliance year. Thus, for Compliance Year t, the footprint should be based on the Year t-1, diverted in Year t and ECAR submitted in Year t + 6 months. As a transitory provision for the first compliance (recovery and diversion) year (Year 2023), the reporting entities may choose to base their footprints from the Year 2022 or 2023.

5.2.3. The ECAR submitted by the OE, Collective or PRO to the Department should consist of the following:

5.2.3.1. The Independent Third-party Audit Report, which may be an AUP Report, Limited Assurance Report or Reasonable Assurance Report; and

5.2.3.2. The duly notarized ECR pursuant to Section 5.1

5.3. **EPR Compliance Audit Checklist**— In the conduct of the compliance audit and subsequent issuance of the ECAR, the independent third-party

auditors will be guided by the professional standards⁶ and Code of Ethics for Professional Accountants in the Philippines.

- 5.3.1. The conduct of the compliance audit should include an Audit Report based on the Agreed-Upon Procedures (AUP) with the Department, Limited Assurance or Reasonable Assurance.

The agreed upon procedures with the Department is set forth in the Checklist for AUP below:

- 5.3.1.1. The Audit Checklist for the OEs based on the agreed upon procedures with the Department has four (4) parts:

5.3.1.1.1. Part 1 refers to the general requirements. The auditor should obtain a copy of a duly signed ECR, EPR Program and the supporting documents set forth in Section 5.1.2.

5.3.1.1.2. Part 2 refers to the verification of the Summary of Accountable Plastic Footprint. In this section, the audit should perform the following procedures.

5.3.1.1.2.1. Obtain a Schedule of Plastic Footprint Summary submitted by the reporting entity which should include data on SKU, quantity, verifiable weight of the plastic footprint, for the following:

5.3.1.1.2.1.1. Sales

5.3.1.1.2.1.2. Returns

5.3.1.1.2.1.3. Product donations, gifts, giveaways, and other promotional materials.

5.3.1.1.2.2. Check mathematical accuracy of this Schedule and summarize any exception noted.

5.3.1.1.2.3. Select a sample of items to be tested representing 20%⁷ of the SKUs with the highest plastic footprint for each material type (e.g.

⁶ The independent third-party auditor (CPAs) should be guided by professional standards such as the Philippine Standards on Related Services (PSRS) 4400 (Revised), *Agreed-upon Procedure Engagements* or the Philippine Standard for Assurance Engagements (PSAE) 3000 (Revised), *Other Than Audits or Reviews of Historical Financial Information*.

⁷ The 20% sampling threshold is an interim measure for the Compliance Audit pending the formal adoption of the uniform standards for compliance audit pursuant to Section 19.3 of the EPR IRR. This is subject to review during the development of the uniform standards for compliance auditing and reporting.

rigids and flexibles) based on sales net of returns.

5.3.1.1.2.4. From the samples selected, the auditor will perform the following procedures:

5.3.1.1.2.4.1. Trace the quantity sold to the document used by the OE to monitor its sales volume, such as but not limited to monthly or annual sales summary. Summarize exception noted.

5.3.1.1.2.4.2. Trace the quantity of returns to the document used by the OE to monitor its sales returns, such as but not limited to monthly or annual sales returns summary. Summarize exception noted.

5.3.1.1.2.4.3. Trace the verifiable weight of the plastic packaging to applicable and available documents mentioned in Section 5.1.2.2.1.

5.3.1.1.2.4.4. Recalculate the plastic footprint after adjustment resulting from the foregoing, if any, and compare this to the quantity reflected in the ECR. Summarize any exception noted.

5.3.1.1.3. Section 3 refers to the procedures for the verification of the Summary of Plastic Waste Diverted.

5.3.1.1.3.1. Obtain a detailed Schedule of Total Plastic Waste Diverted, as reflected in the EPR Compliance Report, which should include the name and official business address of diverter, volume in kilograms diverted and plastic packaging type. Check the mathematical accuracy of this schedule and summarize any exception noted.

5.3.1.1.3.2. Select a sample of items to be tested representing 20%⁸ of the Diverters with the highest quantity of diverted plastic for each material type (e.g. rigids and flexibles)

⁸ The 20% sampling threshold is an interim measure for the Compliance Audit pending the formal adoption of the uniform standards for compliance audit pursuant to Section 19.3 of the EPR IRR. This is subject to review during the development of the uniform standards for compliance auditing and reporting.

- 5.3.1.1.3.3. Using the samples selected, trace the quantity and type of plastic diverted to the notarized Diversion Certificate issued by the diverter. Summarize any exception noted.
- 5.3.1.1.3.4. Recalculate the total quantity of plastic waste diverted after adjustment resulting from the foregoing, if any, and trace to the EPR Compliance Report. Summarize any exception noted.
- 5.3.1.1.4. Part 4 refers to the verification of the Plastic Waste Diversion Accomplishment.
 - 5.3.1.1.4.1. Recalculate the Actual Accomplishment Rate for the calendar year using the recalculated plastic footprints (Section 2 of the Audit Checklist) and quantity of plastic waste diverted (Section 3 of the Audit Checklist), after adjustment noted, if any. Summarize any exception noted.
- 5.3.1.2. The Audit Checklist for the Collectives or PROs will follow the same agreed-upon procedures as for the OEs as far as the General Requirements (Section 5.3.1.1.1), Summary of Plastic Waste Diverted (Section 5.3.1.1.3) and Plastic Waste Diversion Accomplishment (Section 5.3.1.1.4).
 - 5.3.1.2.1. In accordance with Section 44-G of the EPR Act, the OEs or their Collective or PRO shall engage a third-party auditor to certify the veracity of the reported plastic product footprint generated. The Collective or PRO may require their respective OE members to submit their Audit Report covering their accountable footprints audited by an Independent third-party auditor following the procedures set forth in Section 5.3.1.1.2.
 - 5.3.1.2.2. For the Summary of Accountable Plastic Footprint of Collectives or PROs, the auditor should perform the following procedures.
 - 5.3.1.2.2.1. Check the mathematical accuracy of the Schedule of the Plastic Footprint of the Accountable Entities reflected in the EPR Compliance Report, which should include the plastic footprint of each OE with details of the quantity for each plastic packaging material type.

- 5.3.1.2.2.2. Select a sample of Items to be tested representing 20%⁹ of the OEs with the highest plastic footprint for each material type (e.g. rigids, flexibles).
- 5.3.1.2.2.3. From the samples selected, the auditor will perform the following procedures:
 - 5.3.1.2.2.3.1. Obtain the respective Audit Report covering the plastic footprints of the OEs.
 - 5.3.1.2.2.3.2. Trace the details from the Schedule of the Plastic Footprint of the Accountable Entities to the corresponding Audit Report covering the plastic footprints of the OEs. Summarize exception noted.
- 5.3.1.2.2.4. Recalculate the plastic footprint after adjustment resulting from the foregoing, if any, and compare this to the quantity reflected in the ECR. Summarize any exception noted.
- 5.3.1.3. A sample Agreed-upon procedure (AUP) report is shown in Annex B.

5.3.2. The OE, Collective or PRO may also agree with the auditor to conduct limited assurance engagement or reasonable assurance engagement in compliance with the ECAR requirements mentioned in Section 19 of the EPR IRR. This audit engagement should follow the Philippine Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (PSAE) 3000 (Revised). A sample limited assurance report and reasonable assurance report is shown in Annex C and D, respectively.

SECTION 6. Voluntary Disclosures. To assist the DENR, NSWMC, EMB and the NEC in the fulfillment of its obligations under the EPR Act of 2022 and its IRR, the reporting entity may include in its ECR the following voluntary disclosures which are not subject to audit:

- 6.1 Information on solid waste generation and management as well as the management, technical and operational approaches to resource recovery (Section 9.2.1., EPR IRR)
- 6.2 Information of processors/recyclers, the list of materials being recycled or brought by them and their respective prices (Section 9.2.2., EPR IRR)

⁹ Ibid.

- 6.3 Information on the rate of recovery and diversion of each type of plastic waste, updated semi-annually (Section 9.2.3, EPR IRR)
- 6.4 Information on the costs of recovery and diversion of each type of plastic waste (Section 9.2.4, EPR IRR)
- 6.5 Information on gender composition involved in the EPR Program, as well as other environmental, social inclusivity, anti-exploitation, and other relevant safeguards (Section 16.3.6.1.6, EPR IRR)
- 6.6 Information on the towns or cities where EPR Program was implemented during the compliance year (Section 16.3.6.2, EPR IRR)
- 6.7 For Collectives or PROs, information on MSME voluntary members and their respective plastic footprint (Section 9.4, EPR IRR)
- 6.8 Such other relevant information as may be voluntarily disclosed.

SECTION 7. Confidential Business Information

- 7.1 Pursuant to the 2nd paragraph of Section 44-G, RA 9003, as amended by the RA 11898, and Sections 6.8, 19.1.2.4, 19.2, and 19.4.5 of the EPR IRR, the following information are considered Confidential Business Information:
 - 7.1.1 Trade secrets
 - 7.1.2 Breakdown of production or sales figures
 - 7.1.3 Contracts, agreements, methods, or processes unique to the enterprise and other records, reports or information, or particular portions thereof, that would otherwise tend to adversely affect its competitive position.
- 7.2 To avoid inadvertent public disclosure, the foregoing Confidential Business Information, do not have to be submitted together with the ECAR.
- 7.3 In the course of its review of the submitted ECARs, the DENR or the EMB may require the presentation and evaluation, in executive session, of Confidential Business Information by the duly designated officer of the OE, Collective, or PRO, in accordance with Sections 19.4.2. and 19.4.3., or under such rules of procedures as the Pollution Adjudication Board (PAB) may promulgate.

Section 8. Advisory to Certified Public Accountants. Certified Public Accountants who are engaged in public practice and as independent third-party EPR Compliance Auditors are hereby reminded of their obligations under Section 9 (g) and (h) of RA 9298 (Philippine Accountancy Act of 2004) and under the Rules and Regulations on the conduct of this oversight as promulgated under the Professional

Regulatory Board of Accountancy (PRBOA) Resolution 57 Series of 2023 – Quality Assurance Review (QAR) Program. They are also reminded of their possible accountabilities under Section 36 of RA 9298.

The EMB and the NEC shall coordinate closely with the PRBOA through its Financial and Sustainability Reporting Standards Council of the Philippines and its Philippine Interpretation Committee on the formulation of standards on the EPR Investments and Compliances may be reflected in the balance sheets and other financial reports of OEs, Collectives, and PROs.

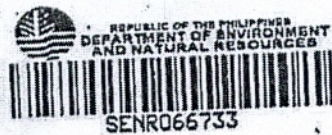
SECTION 9. Integration with DENR DAO No. 2023-02. This Administrative Order shall be integrated with and referred to as Annex A of DENR DAO No. 2023-02, Series of 2023, otherwise known as the Implementing Rules and Regulations of the EPR Act of 2022. When the Uniform Standards of EPR Compliance Reporting and Audit are adopted and promulgated by the Department, it shall replace this Administrative Order as Annex A of the IRR, EPR Act of 2022.

SECTION 10. Separability Clause. If any provision of this Order shall be held invalid or unconstitutional, the other portions or provisions hereof which are not affected shall continue in full force and effect.

SECTION 11. Repealing Clause. All Administrative Orders and other similar issuances inconsistent herewith are hereby revoked, amended, or modified accordingly.

SECTION 12. Effectivity. This Administrative Order shall take effect fifteen (15) days after its publication in a newspaper of general circulation and upon acknowledgment of the receipt of the copy thereof by the Office of the National Administrative Register (ONAR).

MARIA ANTONIA YULO LOYZAGA
Secretary



Republic of the Philippines
Professional Regulation Commission
CERTIFIED TRUE COPY

SHERWIN M. MARASIGAN
Supervising Administrative Officer
Archives and Records Division

O.R.#
Date APR 21 2023

№25-0445