

**ANALYSIS OF EXTENDED PRODUCER RESPONSIBILITY POLICY
IN VIETNAM**

**Development and Policy Research Center
DEPOCEN**



Policy discussion

Climate change - 06/2024

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1. Introduction

Extended producer responsibility (EPR) is a widely applied environmental policy around the world to which producers and importers are responsible for products after disposal. The main goal of EPR is to increase recycling rates, reduce waste and share the burden from local governments and taxpayers to businesses.

Vietnam also has EPR regulations to address the issue of manufacturers' responsibility for waste from product use in the Law on Environmental Protection 2005¹ and Decision No. 50/2013/QĐ-TTg dated August 9, 2013 of the Prime Minister providing the retrieval and disposal of discarded products². In 2015, EPR was specifically regulated in Decision No. 16/2015/QĐ-TTg dated May 22, 2015 of the Prime Minister on regulations on collection and treatment of discarded products (replacing Decision No. 50 /2013/QĐ-TTg dated August 9, 2013)³ and Circular No. 34/2017/TT-BTNMT dated October 4, 2017 of the Ministry of Natural Resources and Environment on collection and treatment of discarded products⁴. By 2020, the Law on Environmental Protection has issued clearer and more detailed regulations on rates, processes, and related administrative agencies⁵. After that, EPR was regulated in more detail by the Government and the Ministry of Natural Resources and Environment in Decree No. 08/2022/ND-CP dated January 10, 2022 of the Government⁶ (referred to as Decree No. 08/2022/ND-CP) and Circular No. 02/2022/TT-BTNMT dated January 10, 2022 of the Ministry of Natural Resources and Environment detailing the implementation of a number of articles of the Law on Environmental Protection⁷ (referred to as Circular No. 02/2022/TT-BTNMT).

¹ Clause 1, Article 67, Law on Environmental Protection 2005.

² Article 4, Article 6, Decision No. 50/2013/QĐ-TTg dated August 9, 2013 providing retrieval and treatment of discarded products.

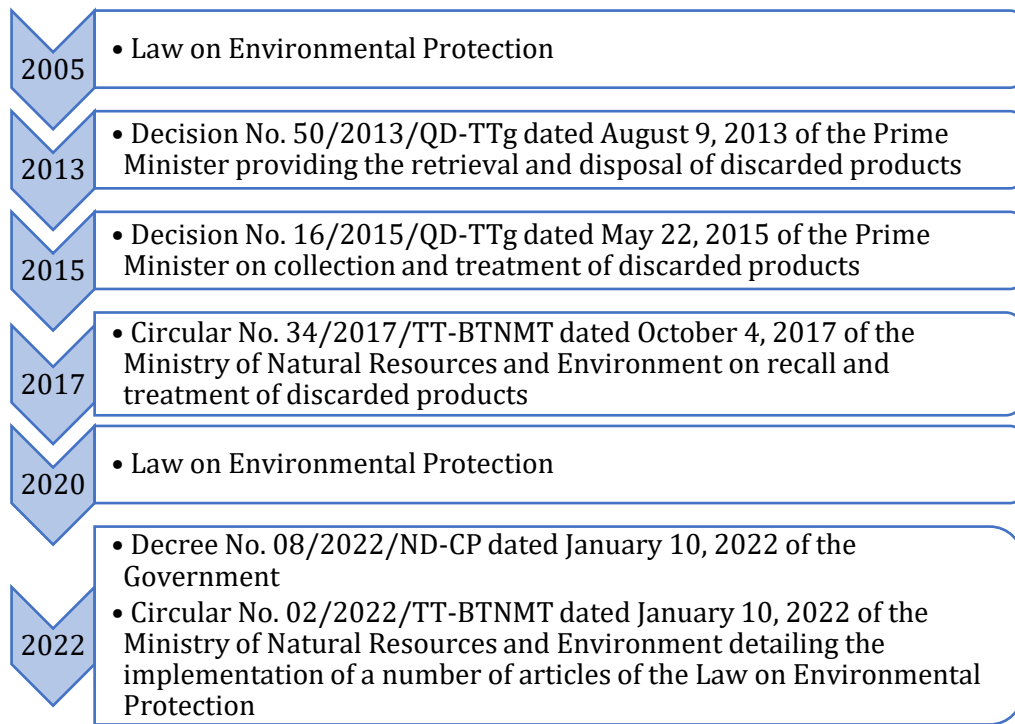
³ Clause 13, Article 5 and Clause 1, Article 9 of Decision No. 16/2015/QĐ-TTg dated May 22, 2015 on collection and treatment of discarded products.

⁴ Article 5, Article 7, Circular No. 34/2017/TT-BTNMT dated October 4, 2017 of the Ministry of Natural Resources and Environment regulating collection and treatment of discarded products.

⁵ Article 54, Article 55, Law on Environmental Protection 2020.

⁶ Chapter VI, Decree No. 08/2022/ND-CP dated January 10, 2022 detailing a number of articles of the Law on Environmental Protection.

⁷ Article 78, Article 79, Circular No. 02/2022/TT-BTNMT dated January 10, 2022 detail the implementation of a number of articles of the Law on Environmental Protection.



According to the current regulations mentioned, from January 1, 2024, producers and importers of batteries, accumulators, lubricants, tires and commercial packaging must be required to recycle products and packaging that they produced and imported after consumers dispose of them.

EPR has been successfully applied in many countries around the world and brings many benefits to the environment. However, the implementation of this regulation in Vietnam will create legal challenges for businesses when accessing legal regulations and increase the financial responsibilities of related businesses.

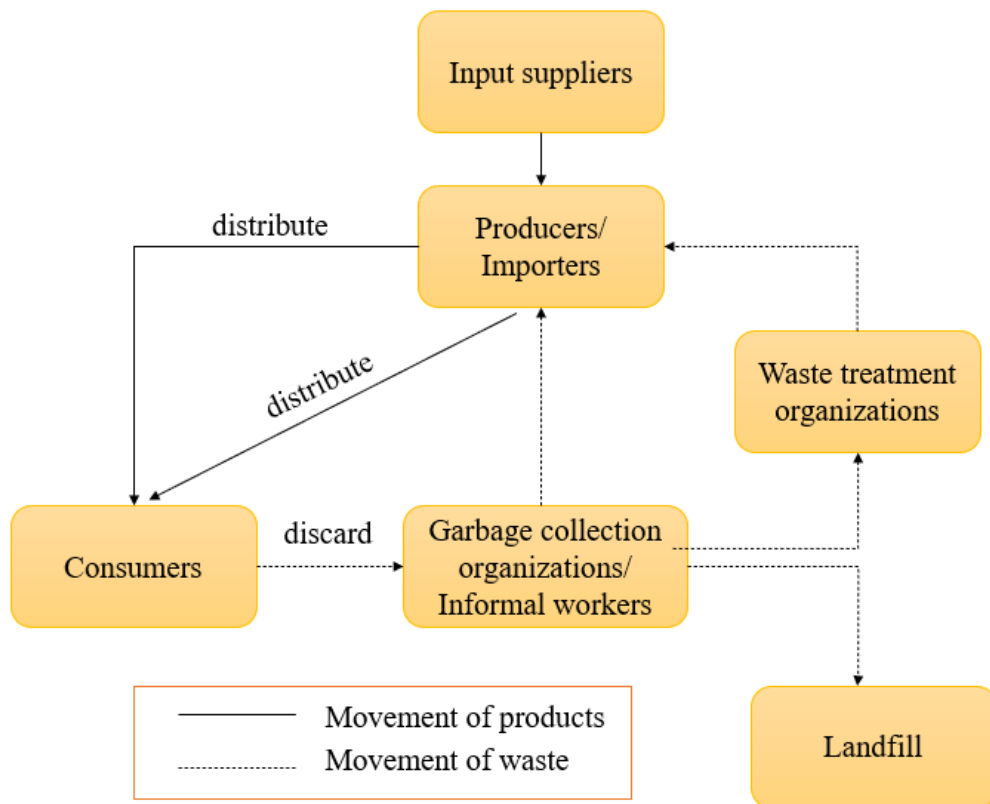
The policy discussion in June 2024 by the DEPOCEN research group aims to provide key information, including: (1) Overview of EPR regulations; (2) Responsibilities for recycling of businesses; (3) Responsibilities for supporting waste treatment of businesses.

2. Overview of EPR regulations

Since the 1950s, the Bottle Bill for the first time mentioned the responsibility of waste treatment and recycling of producers in Vermont - USA. In the 1990s, Thomas Lindqvist first systematized these regulations in his doctoral thesis and later in a report to the Swedish Ministry of the Environment. He called the manufacturer's responsibility to treat and recycle waste "extended producer responsibility" - "Extended Producer Responsibility" - abbreviated as EPR (Lindqvist T, 2000). Since then, many countries around the world have actively built and developed EPR policies to effectively implement this regulation.

According to the approach at the 14th meeting of the Conference of the Parties to the Basel Convention on Control of Transboundary Movement and Treatment of Hazardous Waste in 2019⁸, EPR is understood as "an approach of policy perspective to protect the environment whereby the manufacturer's responsibility for a product extends to the disposal stage of the product's life cycle." This is a policy that requires producers and importers to be environmentally responsible, obliged to treat and recycle the packaging of goods and the products themselves after being disposed of. Once the waste is disposed of and collected, not only will the recycler be supposed to with carry out its responsibilities, but the manufacturer or importer will also be involved in the product life cycle to reuse them.

Diagram 1: Product life cycle in EPR



Source: Authors.

In Vietnam, the Law on Environmental Protection 2020 divides EPR into two main groups of responsibilities:

- (i) recycling responsibilities of the manufacturer/importer;
- (ii) responsibility of the manufacturer/importer to support waste treatment.

In particular, each responsibility group sets its own requirements on objects and implementation processes.

⁸ Vietnam joined the Basel Convention on the control of cross-border movements of hazardous waste and their disposal on March 13, 1995. The Convention entered into force for Vietnam on June 11, 1995.

Methods of implementing EPR responsibilities in Vietnam	
Responsibility 1: Product recycling - Directly organize; or - Sign a contract with a third party; or - Authorization for intermediaries; or - Contribute to recycling costs.	Responsibility 2: Support waste treatment - Financial contributions to the Vietnam Environmental Protection Fund to support waste treatment.

3. Recycle responsibilities of the manufacturer and importer

Responsibility for recycling products and packaging of manufacturing and importing organizations and individuals is specified in Article 54, Law on Environmental Protection 2020 and detailed regulated in Decree No. 08/2022/ND-CP (Section 1, Chapter VI, Article 86 and Appendix XXII) and in Circular No. 02/2022/TT-BTNMT (Clause 1, Clause 2, Clause 3, Article 78 and Clause 1, Clause 2, Clause 3, Article 79 and Form No. 01, 02, 03, Appendix IX).

3.1. Subjects of application of recycle responsibility

Decree No. 08/2022/ND-CP, Clause 1, Article 77 has regulations on subjects carrying out recycling responsibilities as follows:

“Organizations and individuals that manufacture/import (hereinafter referred to as “producers and importers”) products and packaging specified in Column 3 in the Appendix XXII enclosed herewith to be put on Vietnam’s market shall fulfill their responsibility for recycling such products and packaging according to the mandatory recycling rates and specifications specified in Article 78 of this Decree.”

Decree No. 08/2022/ND-CP regulates products that must be recycled at different rates and according to the roadmap from 2024, 2025 and 2027, summarized in the following table (specified in Column 3, Appendix XXII of Decree No. 08/2022/ND-CP):

Types of product and packaging	Time of execution
1. Accumulator (including lead accumulator and other types) and Batteries (including rechargeable batteries, batteries of all types used for vehicles and batteries of all types used for electrical and electronic devices)	from 01/01/2024
2. Lubricant for engines	
3. Tires and tubes of all kinds	

Types of product and packaging	Time of execution
<p>4. Commercial packaging⁹ (direct packaging and outer packaging) of:</p> <p>(1) Food according to the provisions of law on food safety;</p> <p>(2) Cosmetics according to the provisions of law on cosmetic production conditions;</p> <p>(3) Medicines as prescribed by pharmaceutical law;</p> <p>(4) Fertilizers, animal feed, veterinary drugs according to the provisions of law on fertilizers, animal feed, and veterinary drugs;</p> <p>(5) Detergents and preparations used in household, agricultural and medical fields;</p> <p>(6) Cement.</p> <p>Non-commercial packaging¹⁰:</p> <p>a) Packaging is used for the purpose of storing, transporting and preserving goods with labels;</p> <p>b) Bags for carrying goods when purchasing;</p> <p>c) Packaging used to store bulk goods and retail goods.</p> <p>Subjects not responsible for EPR¹¹</p> <p>a) Producers and importers of products and packaging to be exported or temporarily imported or produced/imported for research, learning or testing purposes as prescribed in clause 1 Article 54 of the LEP.</p> <p>b) Producers of packaging specified in clause 1 of this Article having a revenue from sale of goods and provision of services of the previous year not exceeding 30 billion dong;</p> <p>c) Importers of packaging specified in clause 1 of this Article having total value of imports (according to customs value) of the previous year not exceeding 20 billion dong.</p>	
<p>5. Electrical and electronic equipment</p> <p>- Refrigerators, freezers, automatic equipment providing frozen products;</p>	<p>from 01/01/2025</p>

⁹ The above packaging includes the following types: paper, carton, mixed paper; aluminum, iron and other metals; Hard PET; HDPE, LDPE, PP, Hard PS, Hard EPS, Hard PVC, other hard plastics; soft material menu; multi-soft material; bottles, jars, glass containers.

¹⁰ Article 3, Circular No. 05/2019/TT-BKHHCN of the Ministry of Science and Technology detailing the implementation of a number of articles of Decree No. 43/2017/ND-CP regulating goods labels and labeling methods goods and required information on the label

¹¹ Clause 3, Article 77 of Decree No. 08/2022/ND-CP stipulates that subjects are not required to carry out recycling responsibilities as prescribed in Clause 1, Article 54 of the Law on Environmental Protection 2020.

Types of product and packaging	Time of execution
<ul style="list-style-type: none"> - Vending machines; - Fixed and mobile air conditioners; - Tablets, laptops (laptops, notebooks); television and computer monitors, other types of screens; - Compact light bulbs; fluorescent light bulbs; - Electric stove, induction stove, infrared stove, oven, microwave; - Washing machine, dryer; - Cameras (including flash), camcorders; - Audio equipment (speakers, amplifiers); - Desktop; printers, photocopiers; - Mobile phone; - Solar panels. 	
<p>6. Means of transportation:</p> <ul style="list-style-type: none"> - Two-wheeled motorbikes, three-wheeled motorbikes; - Motorcycles, including electric motorbikes and electric bicycles; - Passenger cars (up to 09 seats); - Passenger cars (over 09 seats); - Cargo cars (trucks) of all types; - Self-propelled construction vehicles and machines of all kinds. 	<p style="text-align: center;">from 01/01/2027</p>

Example 1: Enterprise A directly buys/ imports packaging (no available products) to package the products it produces (e.g. veterinary medicine, animal feed) and sells it in the market under its label. Enterprise A will have to recycle that packaging.

Example 3: Company A imports electronic equipment for wholesale to domestic distributors. These distributors will then sell to retail stores in Vietnam. Because Company A must register an import trademark and declare products, it must take responsibility for recycling that equipment.

Example 2: Company B imports tires and tubes produced by Company A to assemble vehicles, then Company B must be responsible for recycling. If tires and tubes are produced by Company A and sold to the market as an independent product, Company A must be responsible for recycling.

3.2 Mandatory recycling rates and specifications

Clause 1, Article 54, Law on Environmental Protection; Article 78 and Appendix XXII, Decree No. 08/2022/ND-CP stipulate the recycling rate and mandatory recycling specifications as follows:

(1) Mandatory recycling rate is the ratio of the minimum weight of a product or packaging that must be recycled according to the mandatory recycling specifications to the total weight of a product or packaging manufactured, put on the market and imported in the year in which the responsibility is fulfilled. The mandatory recycling rate of each type of product or packaging shall be determined on the basis of its life cycle, disposal rate and collection rate; national recycling target, environmental protection requirements and socio-economic conditions from time to time¹². Recycling of imported scrap as raw production materials is not included in the mandatory recycling rate of producers and importers¹³.

For example: Enterprise A in 2023 will produce and market 100 tons of hard PET plastic packaging. According to regulations, the mandatory recycling rate for hard PET plastic packaging is 22%, i.e. in 2023. Business A is responsible for recycling a minimum of 22 tons of hard PET plastic packaging (= 100 tons x 22%).

(2) The mandatory recycling rate in the first 3 years is specified in Column 4, Appendix XXII issued with the Decree. The adjustment of the mandatory recycling rate will be implemented and issued by the Prime Minister before September 30 of the last year of the 3-year cycle to apply to the next 3-year cycle (from 2025 - 2028).

(3) Compulsory recycling specifications are selected recycling solutions with minimum requirements on the amount of materials and fuel recovered for product and packaging recycling in Column 5, Appendix XXII issued herewith Decree¹⁴.

Clause 6, Article 78 of Decree No. 08/2022/ND-CP, mandatory recycling specifications are selected recycling solutions with minimum requirements on the amount of materials and fuel recovered for recycling. products, packaging. Accordingly, to meet mandatory recycling specifications, two requirements must be met:

- (1) meets one of the permitted recycling options.
- (2) meet the minimum raw material recovery rate (40%).


¹² Clause 1 Article 78 Decree 08/2022/ND-CP.




¹³ Clause 1 and Clause 3 Article 78 Decree 08/2022/ND-CP.


¹⁴ Clause 6 Article 78 Decree 08/2022/ND-CP.


For example: Enterprise A in 2024 produces and markets 10,000 tons of mixed paper packaging, so it is responsible for recycling 1,500 mixed paper packaging (because the required recycling rate for mixed paper bags is 15%). To meet mandatory recycling specifications, business A must:

- 1) Dispose according to one of the published recycling solutions
- 2) Reuse and recover at least 40% of the material volume from 1,500 tons of packaging, which means a minimum of 600 tons of mixed paper packaging must be recovered (= 1,500 tons x 40%).

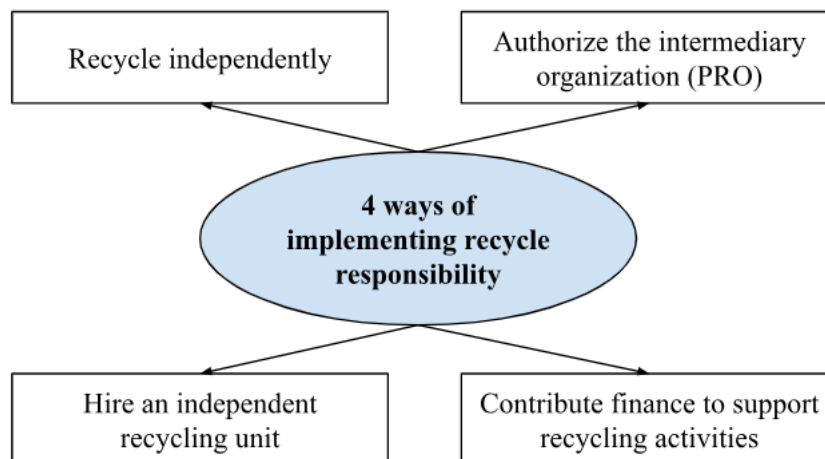
Categories	Mandatory recycling rate for the first 3 years and recycling specifications
<p style="text-align: center;">Packaging</p> 	<p>*Paper packaging: 15%</p> <ol style="list-style-type: none"> 1. Production of commercial pulp. 2. Production of paper products such as toilet paper, cardboard, paper boxes or other products. <p>*Mixed paper packaging: 20%</p> <ol style="list-style-type: none"> 1. Production of paper pulp, metal billets and commercial material sheets. 2. Production of paper products such as toilet paper, cardboard, paper boxes; commercial material panels or other products. <p>*Metal packaging: 20-22%</p> <ol style="list-style-type: none"> 1. Production of aluminum billets used as raw materials for industries. 2. Production of other products. <p>*Plastic packaging: 10-22%</p> <ol style="list-style-type: none"> 1. Production of recycled plastic pellets used as raw materials for industries. 2. Manufacturing other products (including PE/PP fibers). 3. Chemical production (including oil). 4. Manufacture of other products. <p>*Glass packaging: 15%</p> <ol style="list-style-type: none"> 1. Clean and reuse to meet manufacturer's standards. 2. Grinding into cullet for glass production. 3. Grind and crush into aggregate for construction

Categories	Mandatory recycling rate for the first 3 years and recycling specifications
<p data-bbox="331 271 480 304">Lubricant</p> 	<p data-bbox="639 271 879 304">*Lubricant: 15%</p> <ol data-bbox="639 309 1366 383" style="list-style-type: none"> 1. Distillation to recover base oil or other types of oil. 2. Distillation and recovery of oil fractions.
<p data-bbox="204 571 611 645">Accumulator, rechargeable batteries</p> 	<p data-bbox="639 571 999 604">*Lead accumulator: 12%</p> <ol data-bbox="639 609 1409 831" style="list-style-type: none"> 1. Production of lead as raw material for industries 2. Producing recycled plastic pellets or plastic by-products such as commercial chemicals, heavy oil, and synthetic gas as raw materials for industries 3. Production of commercial acid/sulphate salt (by-product) <p data-bbox="639 871 1107 904">*Accumulator of other types: 8%</p> <ol data-bbox="639 909 1409 1243" style="list-style-type: none"> 1. Producing metals in billet form or industrial chemicals as raw materials and fuel for industries 2. Production of recycled plastic pellets or by-products from plastic such as commercial chemicals, heavy oil and synthetic gas as raw materials and production fuels for industries 3. Production of commercial C,K,Na (by-products) 4. Export for recycling (no more than 20% of total product volume) <p data-bbox="639 1283 1031 1317">*Rechargeable battery: 8%</p> <ol data-bbox="639 1321 1409 1655" style="list-style-type: none"> 1. Producing metals in billet form or industrial chemicals as raw materials and fuel for industries 2. Production of recycled plastic pellets or by-products from plastic such as commercial chemicals, heavy oil, synthetic gas as raw materials and production fuels for industries 3. Production of commercial C,K,Na (by-products) 4. Export for recycling (no more than 20% of total product)
<p data-bbox="292 1684 523 1718">Tires and tubes</p> 	<p data-bbox="639 1684 943 1718">*Tires and tubes: 5%</p> <ol data-bbox="639 1722 1409 1868" style="list-style-type: none"> 1. High-tech glued tires according to manufacturer's standards. 2. Cut and recover rubber powder and make aggregate. 3. Fractional distillation into oil.

Categories	Mandatory recycling rate for the first 3 years and recycling specifications
<p data-bbox="225 271 592 344">Electronic & electrical equipment</p> 	<p data-bbox="639 271 1086 309">* Refrigeration equipment: 5%</p> <ol data-bbox="639 315 1398 645" style="list-style-type: none"> 1. Recover and reuse components and accessories to ensure the manufacturer's technical standards. 2. Producing metal bars and billets as raw materials for industries. 3. Production of recycled plastic pellets or by-products from plastic such as commercial chemicals, heavy oil, synthetic gas as raw materials and production fuel for industries. 4. Production of other recycled products. <p data-bbox="639 685 959 723">*Screen devices: 7-9%</p> <ol data-bbox="639 730 1406 1093" style="list-style-type: none"> 1. Recover and reuse components and accessories to ensure manufacturer's standards. 2. Producing metal bars and billets as raw materials for industries. 3. Production of recycled plastic pellets or plastic by-products such as commercial chemicals, heavy oil, and synthetic gas. 4. Production of glass in the form of particles < 5mm in size as raw materials and production fuel for industries. 5. Production of other recycled products. <p data-bbox="639 1133 879 1171">*Light bulbs: 8%</p> <ol data-bbox="639 1178 1398 1395" style="list-style-type: none"> 1. Producing and processing into powder and glass beads/cullets (size <5mm) as raw materials for industries. 2. Producing metal bars and billets as raw materials for industries. 3. Production of other products. <p data-bbox="639 1435 1302 1473">*Other small, medium, large equipment: 5-9%</p> <ol data-bbox="639 1480 1406 1843" style="list-style-type: none"> 1. Recover and reuse components and accessories to ensure manufacturer's standards. 2. Producing metal bars and billets as raw materials for industries. 3. Production of recycled plastic pellets or by-products from plastic such as commercial chemicals, heavy oil, synthetic gas as raw materials and fuel for industries. 4. Producing glass beads < 5mm in size as raw materials and production fuel for industries. 5. Production of other recycled products <p data-bbox="639 1883 959 1921">*IT equipment: 9-15%</p> <ol data-bbox="639 1928 1398 2063" style="list-style-type: none"> 1. Recover and reuse components and accessories to ensure manufacturer's standards. 2. Producing metal bars and billets as raw materials for industries.

Categories	Mandatory recycling rate for the first 3 years and recycling specifications
	<p>3. Production of recycled plastic pellets or by-products from plastic such as commercial chemicals, heavy oil, synthetic gas as raw materials and fuel for industries.</p> <p>4. Producing glass beads < 5mm in size as raw materials for industries.</p> <p>5. Production of other recycled products.</p> <p>*Photovoltaic panels: 3%</p> <p>1. Recover and reuse glasses and solar cells to ensure the manufacturer's technical standards.</p> <p>2. Producing metal bars and billets as raw materials for industries.</p> <p>3. Producing glass beads <5mm in size as raw materials for industries.</p> <p>4. Production of other products.</p>
<p>Means of transport</p> 	<p>*Road motor improvements: 0.5-0.7%</p> <p>1. Recover and reuse parts and equipment to ensure manufacturer's standards.</p> <p>2. Producing metal bars and billets as raw materials for industries.</p> <p>3. Production of recycled plastic pellets or by-products from plastic such as commercial chemicals, heavy oil, synthetic gas as raw materials and fuel for industries.</p> <p>4. Production of rubber powder or plastic by-products such as commercial chemicals, heavy oil, synthetic gas as raw materials and fuel for industries.</p> <p>5. Producing glass beads < 5mm in size as raw materials for industries.</p> <p>6. Production of other products.</p> <p>*Special-use vehicles and machines: 1%</p> <p>1. Recover and reuse parts and equipment to ensure manufacturer's standards.</p> <p>2. Producing metal bars and billets as raw materials for industries.</p> <p>3. Production of recycled plastic pellets or by-products from plastic such as commercial chemicals, heavy oil, synthetic gas as raw materials and fuel for industries.</p> <p>4. Production of rubber powder or plastic by-products such as commercial chemicals, heavy oil, synthetic gas as raw materials and fuel for industries.</p> <p>5. Producing glass beads < 5mm in size as raw materials for industries.</p> <p>6. Production of other products.</p>

3.3 Ways of implementing recycle responsibilities



3.3.1 #1: Recycle independently

Enterprises that carry out recycling themselves must ensure compliance with legal regulations on mandatory recycling rates, mandatory recycling specifications, and registration and reporting requirements.

Accordingly, businesses must collect (can self-collect or buy from collection units in the area), register a recycling plan, and organize recycling according to specifications with a minimum rate. according to regulations and report results periodically.

3.3.2 #2: Authorize the intermediary organization (PRO)

An intermediary organization (full name is Producer Responsibility Organization, PRO) is a unit that organizes the collection and recycling of products and packaging on behalf of the manufacturer. of manufacturers, importers and implementation of other obligations related to recycling responsibilities such as registration and reporting of recycling results. PROs must meet the requirements in Clause 5, Article 79 of Decree No. 08/2022/ND-CP.

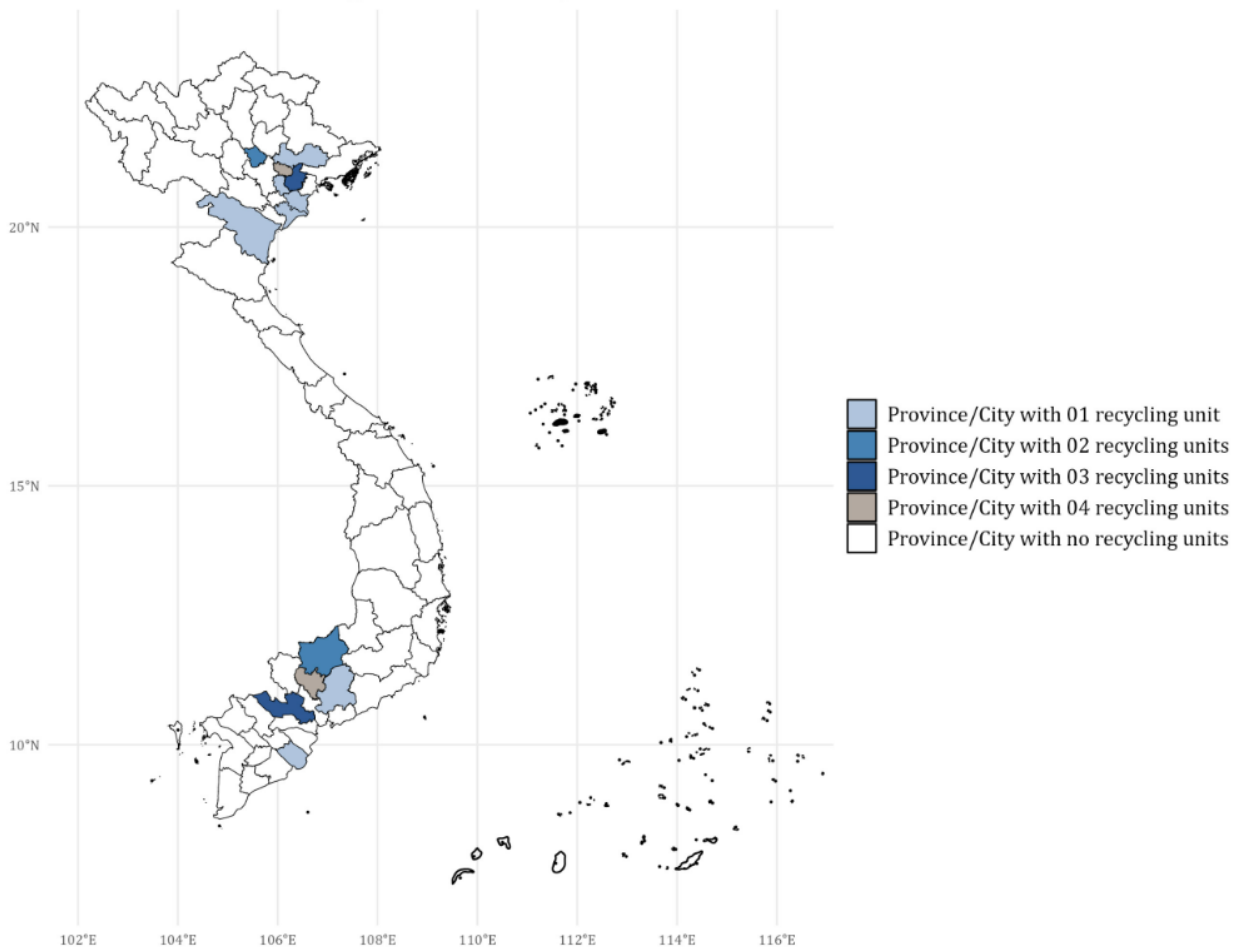
Currently, the Ministry of Natural Resources and Environment (MONRE) has announced two PRO organizations authorized to organize the recycling of products and packaging that meet the requirements in Decree No. 08/2022/ND-CP, including including Packaging Recycling Joint Stock Company - PRO Vietnam and Vietnam Association of Motorcycle Producers(VAMM).

Once authorized by the manufacturer or importer, the above-named PRO organizations are responsible before the law for the information provided; Correctly and fully comply with relevant legal regulations on recycling specifications and rates. At the same time, the authorized PRO will be responsible before the law for the accuracy of recycling plan registration information and recycling results reports, not the manufacturer or importer themselves.

3.3.3 #3: Hire an independent recycling unit

The hired recycling unit must meet environmental protection requirements as prescribed by law and must register a plan and report annual recycling results on behalf of the manufacturer and importer of the product. By 2023, there will be 24 recycling units granted environmental licenses by competent state agencies according to notice No. 185/TB-BTNMT dated April 7, 2023 of the Ministry of Natural Resources and Environment¹⁵.

Figure 2: Distribution map of 24 licensed recycling units according to Notice No. 86/TB-BTNMT



3.3.4 #4: Contribute finance to support activities

If the Enterprise does not carry out recycling itself, does not hire a PRO, or does not hire a recycling unit, it can choose to contribute recycling costs to the Vietnam Environmental Protection Fund.

The contribution amount for each type of product and packaging is calculated according to the formula:

$$F = R \times V \times F_s$$

¹⁵ See the list in Notice No. 86/TB-BTNMT announcing the list of product and packaging recycling units and 24 certified recycling units here: <https://epr.monre.gov.vn/vi/bai-viet/bo-tnmt-cong-bo-danh-sach-on-vi-tai-che-san-pham-bao-bi/>

In which:

- F is the total amount of money that producers and importers must pay for each type of product and packaging (unit: VND);
- R is the required recycling rate of each type of product and packaging (unit: %);
- V is the volume of products and packaging produced and imported (unit: kg);
- F_s is a reasonable and valid recycling cost norm for a unit of product and packaging volume, including costs of classification, collection, transportation, recycling of products, packaging and costs Administrative management supports implementation of recycling responsibilities of producers and importers (unit: VND/kg).

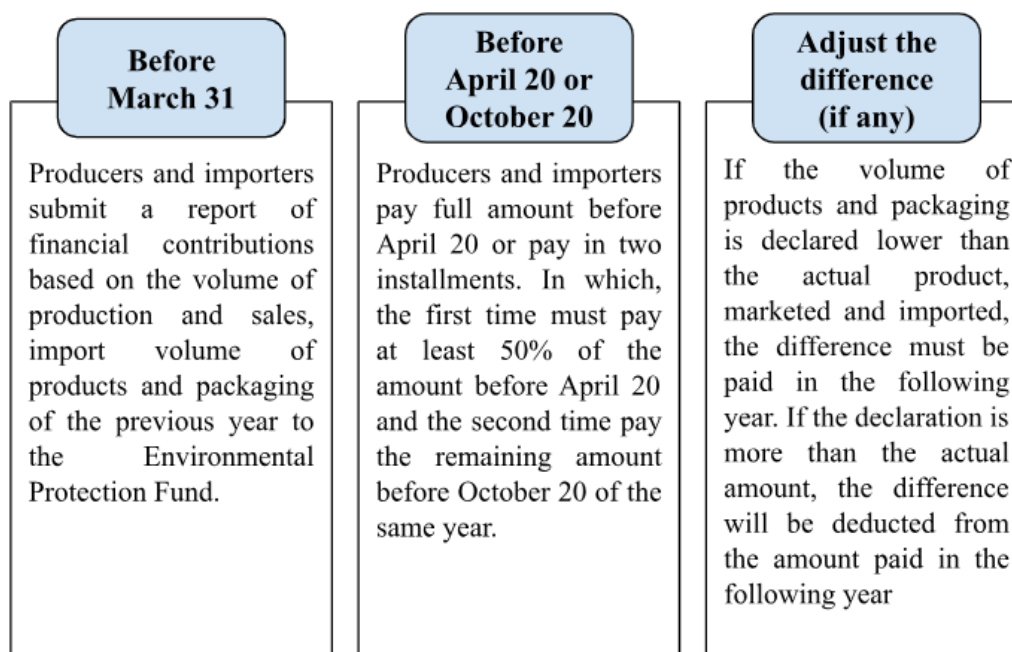
Information on institution receiving financial contributions:

- Vietnam Environmental Protection Fund.
- No. 85 Nguyen Chi Thanh, Dong Da District, Hanoi City.

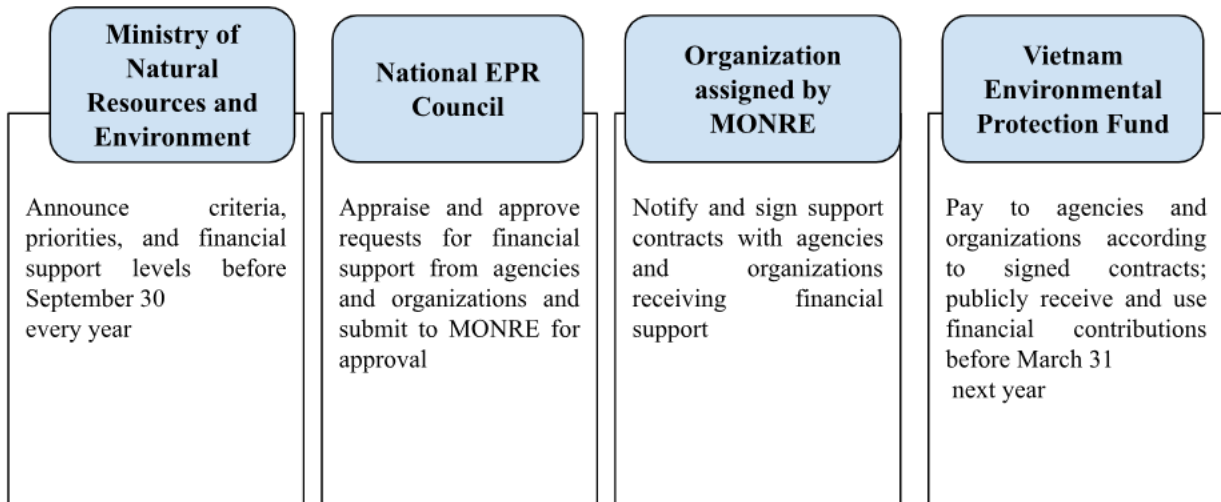
Receiving account information and transfer content for financial contributions to support recycling activities:

- Account name: Vietnam Environmental Protection Fund
- Account number: 202266999
- Vietnam International Commercial Joint Stock Bank (Dong Da branch)
- Money transfer content: clearly state the name of the manufacturer, importer and tax code.

The recycling cost contribution process is carried out as follows:



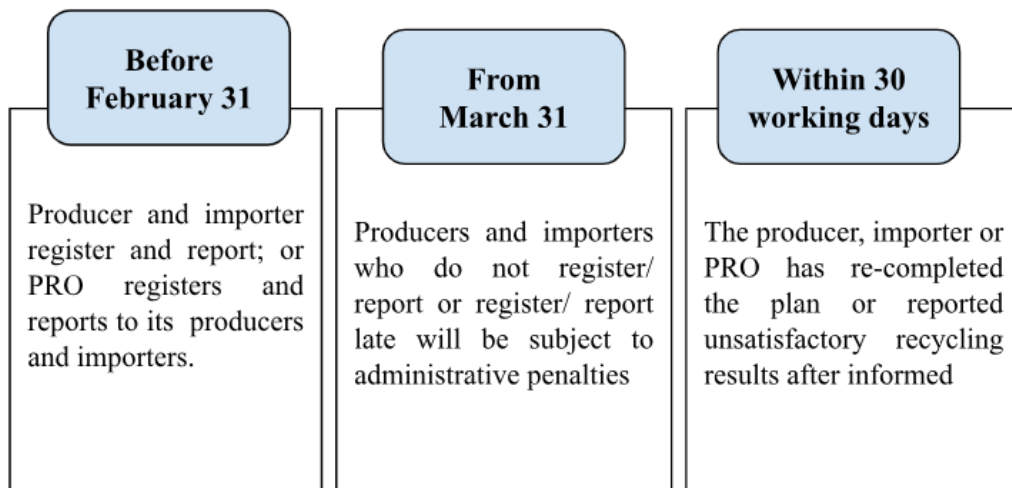
Financial contributions to the Vietnam Environmental Protection Fund by producers and importers are used to support classification, collection, transportation, recycling, product treatment, packaging and management costs. Administrative management supports the implementation of recycling responsibilities of producers and importers. Financial support for recycling activities is prescribed as follows:



3.4 Register and report results

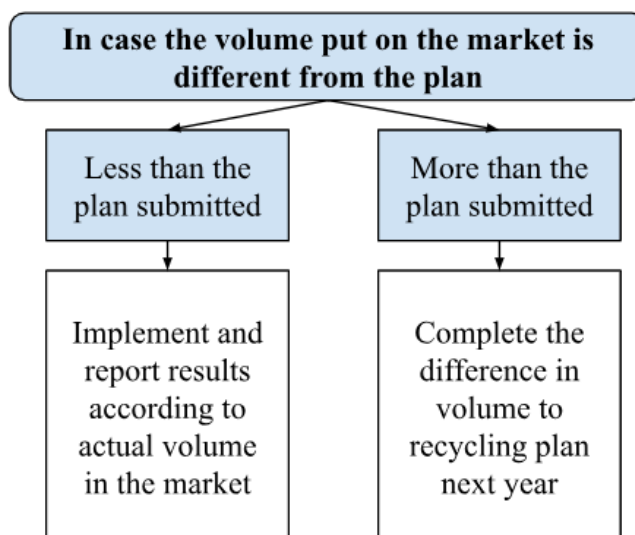
Recycling activities need to be registered and results reported to the competent state management agency of the Ministry of Natural Resources and Environment.

(1) Article 80 of Decree No. 08/2022/ND-CP dated January 10, 2022 of the Government details the registration of plans and reporting of recycling results according to the following timeline:



(2) Registration of recycling plan is done according to Form No. 01 Appendix IX Circular No. 02/2022/TT-BTNMT and reporting of recycling results is done according to Form No. 02 Appendix IX Circular No. 02/ 2022/TT-BTNMT.

Producers and importers do not need to register recycling plans or report recycling results for scrap imported as production materials.



4. Responsibility for waste treatment of producers and importers:

The responsibility of waste treatment of producers and importers is specified in Article 55, Law on Environmental Protection 2020, Decree No. 08/2022/ND-CP dated January 10, 2022 of the Government (Section 2 , Chapter VI, Article 83 and Appendix XXIII) and in Circular No. 02/2022/TT-BTNMT dated January 10, 2022 of the Ministry of Natural Resources and Environment (Clause 4, Article 78 and Clause 2, Clause 4, Article 79 and Form No. 4, Appendix IX).

4.1 Subjects of application of waste treatment responsibility

Article 55 of the Law on Environmental Protection, Article 83 and Appendix XXIII of the Decree No. 08/2022/ND-CP detailing a number of articles of the Law on Environmental Protection (referred to as Decree No. 08/2022/ND-CP) regulating producers and importers of 06 product groups, including packaging is responsible for waste treatment through financial contributions to support waste collection and treatment.

The 6 product groups must fulfill their financial contribution responsibilities (from January 1, 2022)	
1. Packaging of pesticides	4. Gum

2. Disposable batteries of all kinds	5. Thuốc lá
3. Diapers, sanitary napkins, disposable wet wipes	6. The product contains synthetic plastic components

In addition, the law also stipulates that some subjects are not required to carry out waste treatment responsibilities as follows¹⁶:

a) Producers and importers of products and packaging to be exported or temporarily imported or produced/imported for research, learning or testing purposes as prescribed in clause 1 Article 55 of the LEP;

b) Producers have a revenue from sale of goods and provision of services of the previous year not exceeding 30 billion dong;

c) Importers have a total value of imports (according to customs value) of the previous year not exceeding 20 billion dong.

Example 1: Company A buys disposable plastic spoons and plastic straws to attach to products to market, then Company A is not responsible for waste treatment of plastic straws and spoons. The organizations or individuals that produce, import and sell disposable plastic spoons and plastic straws to Company A must take responsibility for waste treatment of disposable plastic spoons and plastic straws.

Example 2: Company A produces and imports packaging to supply Company B to produce and package pesticides, so Company A is not responsible for waste treatment. Company B is responsible for waste treatment because new commercial pesticide packaging is subject to waste treatment responsibility.

4.2 Financial contribution process

4.2.1 Step 1: Calculate financial contribution to support waste treatment¹⁷

According to Article 83 and Appendix XXIII of Decree No. 08/2022/ND-CP, the amount of money contributed to support the collection and treatment of waste from producers and importers depends on the type of product/ packaging, size, material, capacity, specifically:

With tobacco:

¹⁶ Clauses 1 and 2, Article 83 of Decree No. 08/2022/ND-CP stipulate that subjects are not required to carry out recycling responsibilities as prescribed in Clause 1, Article 54 of the Law on Environmental Protection 2020

¹⁷ The level of financial contribution to support waste treatment is adjusted every 5 years to gradually increase according to environmental protection requirements. The Prime Minister decided to adjust and issue increased financial contribution norms to support waste treatment as proposed by the Ministry of Natural Resources and Environment. See details in Clause 2, Article 55, Law on Environmental Protection; Clauses 3, 4, 5, Article 83 and Appendix XXIII, Decree No. 08/2022/ND-CP dated January 10, 2022 of the Government.

Tobacco	60 VND/ 20 cigarettes
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With packaging of pesticide:

Packaging of pesticide	Plastic bottles and boxes: 50 VND - 100 VND/piece
	Sacks, packages, plastic bags: 20 VND - 100 VND /piece
	Glass bottles and jars: 150 VND - 250 VND/piece
	Bottles, vases, metal boxes: 150 VND - 250 VND/piece

With product contains synthetic plastic components:

Products with synthetic plastic components: 1,500 VND/ for 1 kg of plastic used.	Non-biodegradable plastic bags less than 50 cm x 50 cm and a thickness of one layer less than 50 µm;
	Construction materials of all kinds; furniture of all kinds; children's toys of all kinds;
	Trays, bowls, chopsticks, cups, cups, knives, scissors, chopsticks, spoons, forks, straws, stirrers, containers, disposable food wrap;
	Balloons, tape, earring tips, dental floss, disposable toothbrushes, disposable toothpaste, disposable shampoo, conditioner, disposable razors;
	Pants, shirts of all kinds and accessories; Leather goods, bags, shoes, slippers of all kinds.

With Disposable batteries; Diapers, sanitary napkins, disposable wet wipes; Gum:

Single-use battery; diapers, sanitary napkins, disposable wet wipes; Gum	Production: 01% of product revenue.
	Import: 01% of the product's import value.

4.2.2 Step 2: Declare information for product types

Currently, there are 04 declaration forms for 06 packaging/product groups, including:

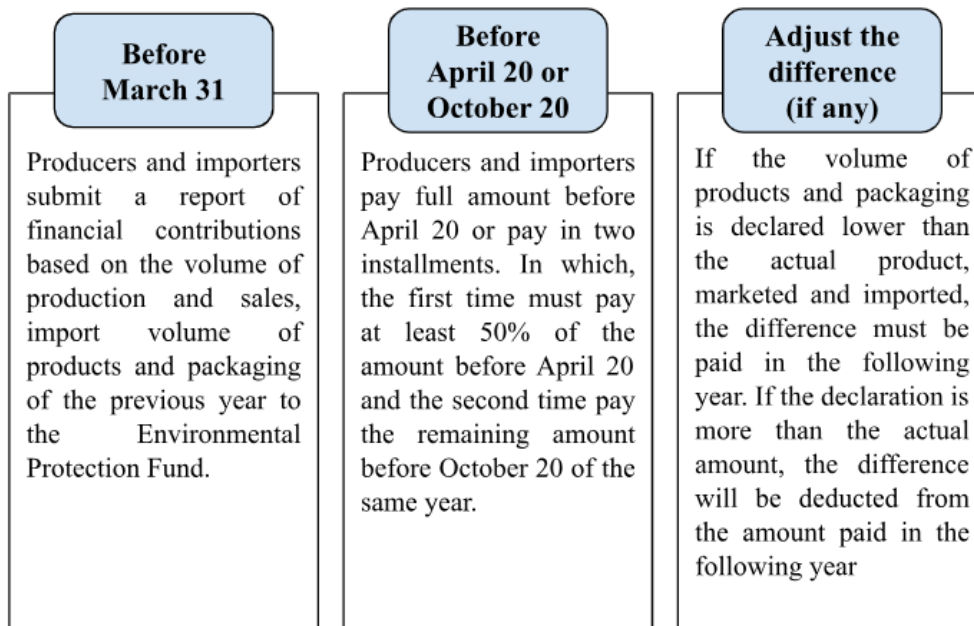
- (1) Declaration form for producers and importers of pesticides;
- (2) Declaration form for producers and importers: disposable batteries; diapers, diapers, sanitary napkins, disposable wet wipes; gum;
- (3) Declaration form for tobacco producers and importers;

(4) Declaration form for producers and importers of products containing synthetic plastic ingredients.

Declaration forms are specified in Form No. 4, Appendix IX issued with Circular No. 02/2022/TT-BTNMT.

Enterprises need to prepare information such as: amount of financial contribution for the year (actual amount, volume of plastic components/products of the year, volume of temporary plastic used for the year); amount of difference between of the preceding year; and total amount to be contributed...

4.2.3 Step 3: Submit information, contribute costs, and adjust variances

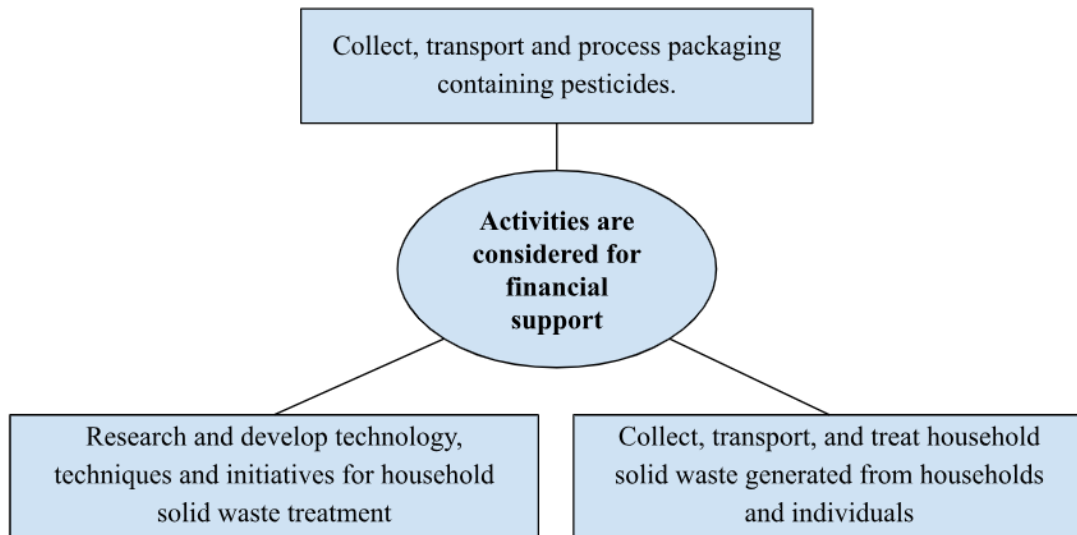


Receiving account information and transfer content for financial contributions to support waste treatment activities:

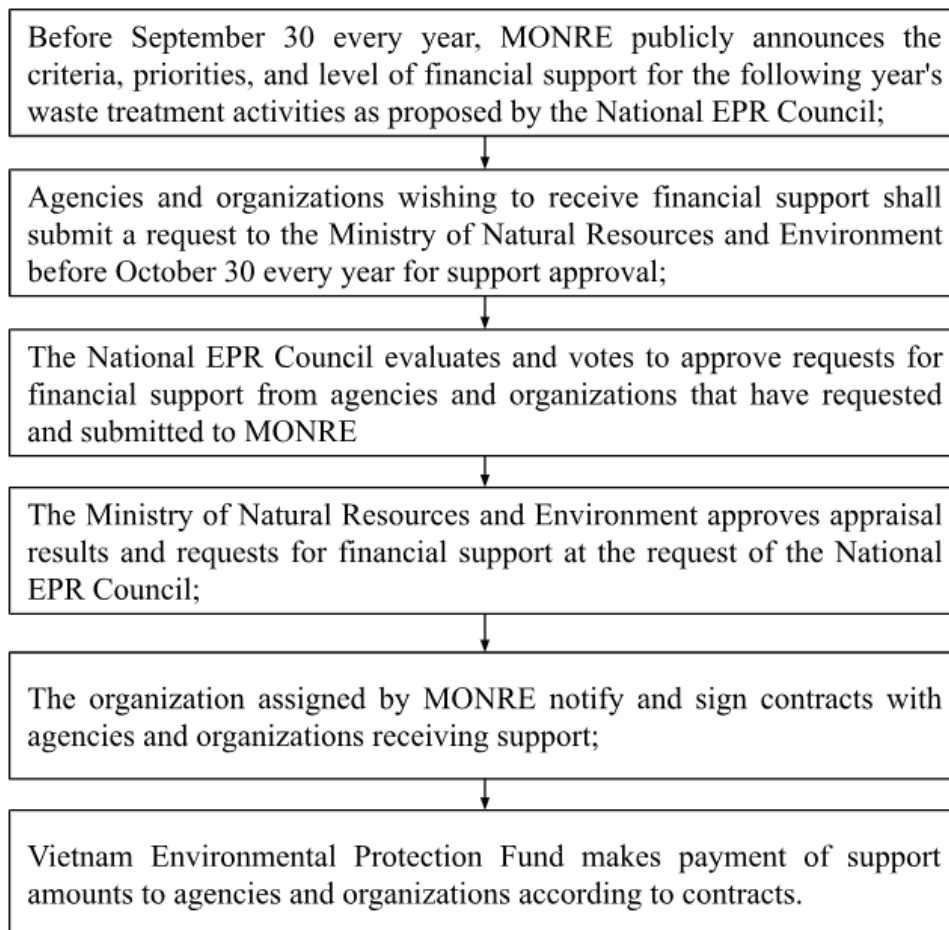
- Account name: Vietnam Environmental Protection Fund
- Account number: 202266999
- Vietnam International Commercial Joint Stock Bank (Dong Da branch)
- Money transfer content: clearly state the name of the manufacturer, importer and tax code

4.3 Manage and use money contributed to support waste treatment

The use of financial contributions to support waste treatment by manufacturers and importers must be public, transparent, and for the right purpose according to the provisions of law. Financial contributions to support waste treatment from manufacturers and importers can only be used to directly support waste treatment activities.



Specifically, **the financial support process** for waste treatment activities is prescribed as follows:



5. Other relevant regulations

5.1. Publicize product and packaging information

Article 86, Decree No. 08/2022/ND-CP stipulates that:

The producers and importer shall make publicly available information about the products and packaging they produce and import, including: ingredients, fuels and materials; guidelines for classification, collection, reuse, recycling and treatment thereof; risk warnings during the recycling, reuse and treatment.

Tax authorities, customs authorities, enterprise registration authorities, agencies and organizations concerned shall provide and share information about tax, customs, enterprise registration and other information relating to production and import of products and packaging specified in the Appendix XXII and Appendix XXIII enclosed with this Decree at the MONRE's request.

5.2. Sanctions of violations¹⁸

Manufacturers and importers who do not perform or perform incorrectly or incompletely their recycling responsibilities according to the provisions of law will be subject to administrative sanctions according to each specific violation. The fine can be up to 1 billion VND for violations of regulations on implementing waste recycling responsibilities of manufacturers and importers.

Appendix: Comparison of ways of implementing responsible recycling

Ways	Advantages	Disadvantages
Recycle independently	<ul style="list-style-type: none"> - Promote reputation and corporate image to the community; - Take advantage of recycled materials in the production process; - Changing production processes towards sustainability; - Open up new business opportunities such as developing recycled products with high commercial value or providing waste treatment services for other businesses. 	<ul style="list-style-type: none"> - High initial investment costs - Operation and management of complex product cycle and recycling systems; - Must be proactive in collecting waste for recycling. Businesses can implement a number of options such as: cooperate with licensed waste collection companies and cooperatives, establish recycling collection points, or organize return programs, ...

¹⁸ See details in Article 32, Decree No. 45/2022/ND-CP dated July 7, 2022 of the Government on sanctioning administrative violations in environmental protection.

<p>Authorize intermediary organizations PRO</p>	<ul style="list-style-type: none"> - Reduce the burden of organizing collection and recycling for businesses; - Reduce legal burden and liability for businesses; - Focus and key operations and optimize production processes; - Increase transparency for businesses 	<ul style="list-style-type: none"> - PRO service costs; - Difficulty controlling quality and performance of PRO; - Image and brand risk if not choosing a reputable PRO.
<p>Hire a recycling unit</p>	<ul style="list-style-type: none"> - Reduce the burden of organizing collection and recycling for businesses; - Reduce legal burden and liability for businesses; - Focus and key operations and optimize production processes; - Increase transparency for businesses 	<ul style="list-style-type: none"> - PRO service costs; - Difficulty controlling quality and performance of PRO; - The number of recycling units is not enough to meet the actual amount of waste. The Northern region has 13 recycling units and the Southern region has 11 recycling units; Meanwhile, the Central region does not have any certified recycling units, so the recycling logistics costs of businesses in the Central region will be higher.
<p>Contribute finance</p>	<ul style="list-style-type: none"> - Reduce complex liability for businesses; - Reduce initial investment cost for recycling systems and find recycling units. 	<ul style="list-style-type: none"> - Challenges regarding cost contributions to businesses - Complicated in calculating Fs, managing records and reporting according to legal deadlines.

References

1. United Nations/Basel Convention, "Draft Revisions to the Manual on Extended Producer Responsibility. Part II. UNEP/CHW.14/5/Add.1", adopted at the 14th Meeting of the Conference of the Parties to the Basel Convention on the Control of Transboundary Movements and Treatment of Hazardous Waste, April 29 -May 10, 2019, available at: <http://www.basel.int/TheConvention/ConferenceoftheParties/Meetings/COP14/tabid/7520/Default.aspx> (accessed April 19, 2024).
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Information Disclosure and Disclaimer Regulations

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This document was prepared and published by the Development and Policies Research Center (DEPOCEN) in June 2024. All information presented in the report has been collected and evaluated with the utmost diligence possible and is based on sources considered reliable at the time of publication. However, due to both subjective and objective reasons stemming from previous research and the sources of information collected by the author group, we do not fully guarantee the accuracy, completeness, or timeliness of the information mentioned in this report, nor do we update the information in the report after its publication date. DEPOCEN strictly prohibits the use, printing, copying, or publishing of this report in whole or in part for any purpose without DEPOCEN's consent.

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