Current status of waste and plastic scrap management in Vietnam

Vietnam Environment Administration (VEA)
Ministry of National Resources and Environment (MoNRE)
Contents

I. Legal framework
II. Plastic scrap import and control activities
III. Challenges and difficulties
I. Legal framework

Some related terminology of waste and scrap management

❖ Vietnam differentiates between wastes and scraps
  - Wastes are substances discharged from production, business, services, daily life or other activities.
  - Scraps means materials recovered, sorted or selected from materials and products discarded during the process of production or consumption for use as materials for another production process.
  - Hazardous waste (HW) mean wastes containing elements that are toxic, radioactive, inflammable, explosive, abrasive, contagious, poisonous or otherwise harmful.

❖ Waste management means the process of preventing, reducing, monitoring, sorting, collecting, transporting, reusing, recycling and treating wastes.
1. The Law on Environmental Protection 2014

- **Article 7**: Importing and transiting wastes from abroad in any form is strictly prohibited.
- **Article 76**: Scraps imported from abroad into Vietnam must comply with environmental technical regulations and be on the list of scraps permitted for import promulgated by the Prime Minister. Scrap importers must make a deposit for imported scraps under regulations of the Government.
2. Decree No. 69/2018/ND-CP on guidelines for the Law on Foreign Trade Management

- The list of used goods are banned from export and import (Annex I): electronics, refrigeration, household electrical goods, information technology products, ...
- The list of used goods are banned from trading in temporary import for re-export and border-gate transfer (Annex VI); electric battery/lead-acid batteries,...
- The trading list of used goods in temporary import for re-export (Annex IX); electric fans, air conditioners, refrigerators, freezers/refrigeration units, dishwashers, washing machines, personal computers, vacuum cleaners, phones, speakers, cameras... Trading companies have to pay a deposit of 7 billion VN dong to implement the temporary import for re-export.
3. Decree No.38/2015/ND-CP of the Government on the management of wastes and scraps

Core principles for waste management:

- Prevent and minimize waste generation at sources
- Encourage the socialization of collection, transportation, reuse, recycling, waste treatment and energy recovery from waste
- Encourage the application of waste treatment technologies in an environmentally friendly manner
- Organizations and individuals that generate waste have to pay charges and service charges for activities of collecting, transporting and disposing of waste
4. Circular No. 36/2015/TT-BTNMT on HW management

❖ The definition and classification of HW shall comply with the regulations of Annex 1 (the HW list included e-waste) of this Circular and National Technical regulation QCVN 07:2009/BTNMT on HW thresholds.

❖ The permit conditions and guiding procedure for the registered book of HW generator and the permit of HW treatment (included activities of HW transportation and disposal).

❖ Guiding the use of HW manifest

❖ Technical requirements for HW management:
  - Dedicated packaging;
  - HW storage equipments/storage area;
  - Means of HW transport;
  - HW treatment facilities.
4. Circular No.36/2015/TT-BTNMT (cont.)

❖ The export registration can be done for every single trip or many trips per year. Hazardous waste generator/exporter coordinates with relevant parties applying the registration to VEA.

5. Circular No. 11/2018/TT-BTTTT on detailed list of used information technology products prohibited from import with their HS codes
   - This is an important legal basis to prevent the importing of UEEE.
   - List of used information technology appliances banned from import (Appendix): used printers, computers, mobiphones, LCD/CRT screens...
6. Decision No.18/2019/QD-TTg of The Prime Minister on import of used machinery, equipment and technological lines

❖ Device age should not exceed 10 years. For machinery and equipment in some specific fields, the age of the equipment is specified in Appendix I of this Decision (up to 10 or 20 years).

❖ Manufacturing according to the following standards:
  - In accordance with regulations of national technical regulations (QCVN) on safety, energy saving and environmental protection;
  - In the absence of QCVN related to imported machinery and equipment, imported machinery and equipment must be manufactured in accordance with the technical specifications of Vietnam's national standards (TCVN) or standards. national standard of one of G7 countries, Korea on safety, energy saving and environmental protection.
7. Decision No. 28/2020/QD-TTg of the Prime Minister promulgates the list of import scrap for using as production materials

- The list includes only 23 scraps (a decrease of 13 scraps in comparison to expired Decision No. 73/2014/QĐ-TTg),
- Some types of plastic scraps can be imported

<table>
<thead>
<tr>
<th>Types of plastic scrap</th>
<th>HS code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Polime Etylen (PE)</td>
<td>3915 10</td>
</tr>
<tr>
<td>Polime Etylen (PE)</td>
<td>3015 10</td>
</tr>
<tr>
<td>Polime styren (PS0)</td>
<td>3915 20</td>
</tr>
<tr>
<td>Polime Vinyl Clorua (PVC)</td>
<td>3915 20</td>
</tr>
<tr>
<td>Polyethylene Terephthalate (PET); Polypropylen (PP); Polycarbonat (PC); Polyamit (PA); Acrylonitrin Butadien Styren (ABS); High Impact Polystyrene (HIPS); Poly Oxy Methylene (POM); Poly Methyl Methacrylate (PMMA); Expanded Polystyrene (EPS); Thermoplastic Polyurethanes (TPU); Ethylene Vinyl Acetate (EVA); Silicon resin is removed from the manufacturing process and has not been used</td>
<td>3915 90</td>
</tr>
</tbody>
</table>

Clause 28-37, Article 3: Amending and supplementing a number of articles of Decree No. 38/2015/ND-CP related to imported scrap

- Only import scrap for use as production materials for their establishments according to the designed capacity for production. Do not import scrap only for preliminary processing and resale. From January 1, 2025, the establishment using imported scrap as production materials may only import scrap equal to 80% of its design capacity; the remaining scrap must be purchased domestically for use as production materials.

- Paper scrap is only allowed to be imported as materials for the production of products and goods (excluding commercial recycled pulp).
8. Decree No. 40/2019/ND-CP (cont.)
- Plastic scrap may only be imported as materials for the production of products and goods (excluding commercially recycled plastic resins), except for the cases in which the project has been approved with the investment policy, investment certificates and operating production facilities are allowed to import scrap plastic for the production of commercially recycled plastic resins until the end of December 31, 2024.

9. Circular No. 25/2019/TT-BTNMT of the Minister of Natural Resources and Environment promulgates the implementation of a number of articles of the Government's Decree No. 40/2019/ND-CP

Article 13-17 focus on inspecting and certifying the eligibility for environmental protection in the import of scrap for using as production materials.
10. Directive No.27/2018/CT-TTg dated September 17, 2018 of the Prime Minister on a number of urgent solutions for enhancement of management of scrap import and use of imported scrap for production purpose

According to the directive, there is no permission for entrusted units of scrap importing and the certificate of scrap import is only permitted for importing units for direct use as raw production materials when the demand and capacity of scrap utilization are proved.

For scrap shipments that do not meet the import regulations, they must be re-exported or disposed.
11. Decision No. 35/2019/QĐ-TTg dated December 19, 2019 of the Prime Minister for the Regulation on interdisciplinary coordination in the management of scrap import activities.

It provides for the principles, purposes, contents, modes and responsibilities of coordination among the Ministries: Finance, Natural Resources and Environment, Transport, Public Security, Defense, Industry and Trade, Foreign Affairs, Science and Technology and People's Committees of provinces and central cities in state management for the import of scrap from abroad into Vietnam.
12. The related National regulations/standards

- National Standard on the classification of normal solid waste TCVN 6705:2009
- National Standard on HW classification TCVN 6706:2009
- National Standard on HW warning signs TCVN 6707:2009
- National Technical regulation on wastewater of the solid waste landfill site QCVN 09:2009/BTNMT
- National Technical Regulation on HW thresholds QCVN 07:2009/BTNMT
- National Technical Regulation on environment for imported steel scraps QCVN 31:2018/BTNMT
- National Technical Regulation on environment for imported plastic scraps QCVN 32:2018/BTNMT
- National Technical Regulation on environment for imported paper scraps QCVN 33:2018/BTNMT
- National technical regulation on environment for imported glass scraps for production QCVN 65:2018/BTNMT
12. The related National regulations/standards

- National technical regulation on environment for imported non-ferrous metal scraps for production QCVN 66:2018/BTNMT
- National technical regulation on environment for imported slag from iron or steel industry for production QCVN 67:2018/BTNMT
- National Technical Regulation on co-processing of HW in cement kiln QCVN 41:2011/BTNMT
- National Technical Regulation on solid healthcare waste incinerator QCVN 02:2012/BTNMT
- National Technical Regulation on solid industrial waste incinerator QCVN 30:2012/BTNMT
- National Technical Regulation on household waste incinerator QCVN 61-MT:2016/BTNMT
- National Technical Regulation on infectious healthcare waste autoclave QCVN 55:2013/BTNMT
- National Technical Regulation on waste oil recycling QCVN 56:2013/BTNMT
II. Plastic scrap import and control activities

❖ Since China banned the import of plastic scrap in 2018, the amount of plastic scrap imports into Vietnam has increased significantly. From January to November 2018, Vietnam imported a total of 443,600 tons of plastic scrap (ranked 3rd in the world in terms of import volume).

❖ The General Department of Vietnam Customs reports that in 2020, the amount of imported scrap decreases in comparison with the previous years. One of the reasons is the Prime Minister directed many measures to tighten the control of scrap from the exporting country and the time of ship docking.

❖ From June 2018 to now, most of the containers left in stock at the ports contained scrap were not eligible for import or were on the banned list.
II. Plastic scrap import and control activities

Hai Phong Customs checked a container of imported plastic scrap. It was full of trash inside.
II. Plastic scrap import and control activities

A shipment of plastic waste was seized by the Customs at the Hai Phong Port.
III. Challenges and difficulties

➢ In 2017, Vietnam officially joined the list of 127 countries that passed the UN Environment Council Resolution of the United Nations Environment Program on plastic waste and marine microplastics.

➢ The Prime Minister has just issued Directive 33/CT-TTg dated 20 August, 2020 on strengthening the management, reuse, recycling, treatment and reduction of plastic waste. He instructed ministries, branches and localities to issue directives and plans to reduce and recycle plastic waste no later than October 30; as well as to minimise the use of disposable plastic products, and prioritise the selection of recycled and environmentally friendly products.

➢ The Ministry of Natural Resources and Environment was assigned to complete the solid waste management institution in the direction of considering waste and plastic waste as natural resources; promoting the development of circular economic models; as well as researching and setting up technical environmental barriers against products and goods containing micro-plastic particles and plastic bags.
III. Challenges and difficulties

➢ Based on the regulation, for ineligible import scrap, the customs authority requires shipping lines to re-export all shipments out of the territory of Vietnam. The General Department of Vietnam Customs found that the re-export of scrap is almost not re-exported to the original exporting country and is expected to be re-exported to a third country. The re-export to a third country is likely to be refused, the shipment may be returned to Vietnam due to different regulations on scrap import.

➢ Lack of human resource and capacity to control in-land border. The Government established environment police forces, but the authorities have not adequate capacity for their effective implementation.

➢ As the other countries in the world, Viet Nam is witnessing a shift from a traditional linear economy to a circular economy where waste - instead of being thrown away, wasted and polluted - will be "revived" in the form of different resources and once again involved in the production. Accordingly, building a circular economy will help to reduce the risk of scarcity of resources in the future.
Thank you for your attention!

www.vea.gov.vn
E-mail: baselvn@vea.gov.vn