

MINISTRY OF NATURAL RESOURCES AND ENVIRONMENT (MONRE)

POLLUTION CONTROL DEPARTMENT (PCD)

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I. Legal framework

Vietnam differentiates between wastes and scraps:

- Waste is a substance in solid, liquid, gaseous or other forms that is discharged from production, business, service, daily life or other activities.
- Scrap is a material that is recovered, classified and selected from materials and products discarded in the process of production, business, service or consumption to use as materials for another production.
- Hazardous waste is waste contained toxic, radioactive, infectious, flammable, explosive, corrosive, toxic or other hazardous properties.

1. The Law on Environmental Protection

Clause 6 Article 6: It is strictly forbidden to import, temporarily import, reexport or transit waste from abroad in any form.

*****Article 70: Organizations and individuals do not import:

- Used machinery, equipment and vehicles for demolition (except used ships)

- Machinery, equipment, vehicles, goods, materials and scraps contaminated with radiation, disease-causing microbes and other toxins have not been cleaned or cannot be cleaned.

The import and demolition of used ships have to meet environmental technical regulation.

1. The Law on Environmental Protection (cont.)

* Article 71: Environmental protection in importing scrap from abroad

1. Scrap imported from abroad into Vietnam have to satisfy environmental technical regulations and be on the list of imported scrap promulgated by the Prime Minister.

2. Organizations and individuals may only import scrap from abroad as materials for their production facilities and have to satisfy the following requirements for environmental protection:

a) Production facilities with technology and equipment for recycling and reuse, warehouses and yards meet to scrap collection and environmental protection; have a plan to deal with accompanying impurities;

b) Having an environmental permit;

c) Paying a deposit of environmental protection before the time that the scrap is unloaded at the port in the case of import through a border gate, or before the time of scrap import into Vietnam for the other cases;

d) There is a written commitment on the re-export or treatment of scrap if the imported scrap does not meet the requirements for environmental protection.

1. The Law on Environmental Protection (cont.)

*The Law sets a new management regime for solid wastes in order to gradually form a circular economy, including application of extended producer responsibility (EPR) policy approach to the recovery and recycling of products and packaging (Article 54); payment for service charges for collection, transportation and treatment of domestic solid wastes based on the volume of sorted wastes (Article 79); and selfrecycling, treatment, co-treatment of, or recovery of energy from, normal industrial solid wastes (Article 82).

1. The Law on Environmental Protection (cont.)

The article 54 on responsibility of producers and importers to recycle products and packaging serve as critical grounds for full application of EPR policy approach under which entities that produce and import recyclable products and packaging must recycle such products and packaging according to compulsory ratios and specifications. These entities may organize by themselves the recycling or make financial contributions to the Vietnam Environment Protection Fund to support the recycling.

2. Decree No.08/2022/ND-CP on stipulating of articles of the Law on Environmental Protection

- Imported scrap is only allowed to be unloaded at the port when it meets the following requirements:

+ Organizations and individuals have valid environmental permits/scrap import permits;

+ There is a confirmation document of the deposit for imported scrap.

- The customs is responsible for checking the above information before allowing the unload of scrap at the port.

- Organizations and individuals importing scrap must use all imported scrap as production materials to produce products/goods; waste treatment arising from the scrap recycling; pay all costs related to the violation of imported scrap.

2. Decree No.08/2022/ND-CP (cont.)

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

- Ordinary industrial solid waste is managed as products and goods when it is recovered, classified, selected for reuse, used directly as raw materials, fuel and materials for production activities. 3. Circular No. 02/2022/TT-BTNMT on stipulating of articles of the Law on Environmental Protection

- Promulgate a list of wastes (enclosed with waste codes) including: hazardous wastes, controlled industrial wastes and ordinary industrial solid wastes.

- The identification of controlled industrial waste as hazardous waste or ordinary industrial solid waste according to environmental technical regulations on hazardous waste thresholds. In case of controlled industrial waste has not been identified, it shall be managed as hazardous waste.

- Regulation of technical requirements for solid waste management.

- Assessing the actual capacity of organizations registered to participate in the assessment of conformity with environmental technical regulations for imported scrap.

3. Circular No. 02/2022/TT-BTNMT (cont.)

Registration of exporting hazardous waste: Article 38 and Appendix III of the Circular No.02/2022/TT-BTNMT and the Basel Convention.

- 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 MoNRE.

- Hazardous waste generators must sign a contract with a representative exporter to authorize the exporter to carry out TBM procedures for hazardous waste.

https://moitruongachau.com/en/decree-no-08-2022-nd-cp.html https://moitruongachau.com/en/circular-no.02-2022-TT-BTNMT-detailing-a-number-of-articles-of-law-onenvironmental-protection.html

4. Decree No. 69/2018/ND-CP

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 reexport 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.

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 the national technical regulations on safety, energy saving and environmental protection;

- In the absence of regulation related to imported machinery and equipment, imported machinery and equipment must be manufactured in accordance with the technical specifications of Vietnam's national standards or standard of G7 countries, Korea on safety, energy saving and environmental protection. 7. 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.

8. 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 of: 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. 9. The related National Technical Regulations

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
- National Technical Regulation on environment for imported non-ferrous metal scraps for production QCVN 66:2018/BTNMT (Cu, Ni, Al, Zn, Sn, Mn)

9. The related National Technical Regulations (cont.)

- National Technical Regulation on Hazardous waste thresholds QCVN 07:2009/BTNMT
- National Technical Regulation on co-processing of Hazardous waste 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

II. Plastic scrap import and control activities

From the beginning until now, the Basel Convention implementation authority of Vietnam has approved the import of plastic scrap (code B3011) from Belgium, the Netherlands, Germany, Japan ...

PE, PET, PP, PC, PVC, PS, ABS, HIPS, EPS, PA, POM, PMMA, TPU, EVA and 'un-used' Silicone

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 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.

III. Challenges and difficulties (cont.)

- > 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.
- ➢ Based on the regulation, for ineligible imported scraps, 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.

III. Challenges and difficulties (cont.)

- Currently, the Ministry of Natural Resources and Environment is following <u>Decision No.13/2023/QD-TTg</u> on the list of imported scraps for production and National Technical Regulation on environment for imported plastic scraps for production (<u>QCVN 32:2018/BTNMT</u>), strengthens the control of imported plastic scraps from abroad to serve domestic production.
- > As the other countries in the world, Vietnam 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!

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