

EPR MECHANISM: DECREE INSIGHTS

Objective

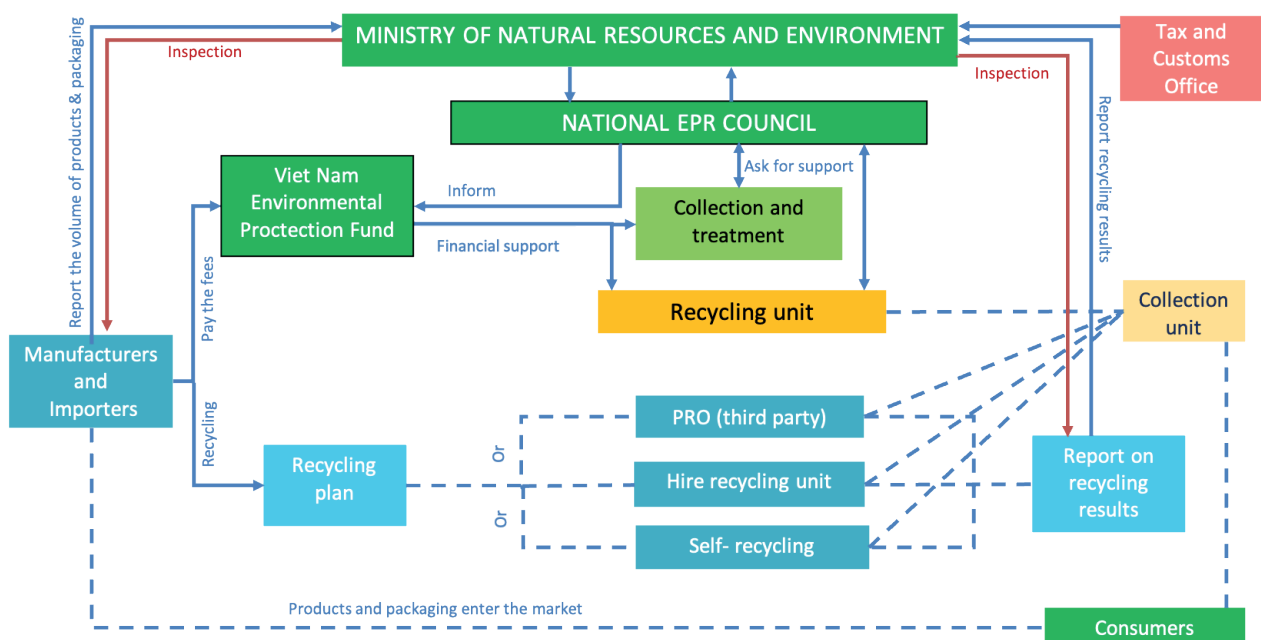
This factsheet aims to present the main contents of the EPR mechanism in Vietnam according to the legal framework and its roadmap. It is based on the Law of Environmental Protection LEP 72/2020/QH14 and the Decree No. 08/2022/ND-CP issued on 10 January 2022.

1. GENERAL EPR MECHANISM

The EPR scheme for packaging was first introduced in Vietnam the **LEP 72/2020/QH14** in 2020, under

- **Article 54.** Recycling responsibilities of producing and importing organizations and individuals
- **Article 55.** Responsibilities for waste collection and treatment of producing and importing organizations and individuals

The **decree No. 08/2022/ND-CP** issued on 10 January 2022, especially the chapter VI on 'responsibilities for recycling, products and packaging responsibilities of manufacturing and importing organizations and individual' through twelve Articles, *i.e.*, Article 77 to Article 88, is providing the general EPR mechanism.



▲ Figure: General Vietnamese EPR scheme adapted according to LEP 72/2020/QH14, Article 54, Article 55

2. RESPONSIBILITIES FOR THE RECYCLING OF PRODUCTS AND PACKAGING

Who is responsible for recycling?

Organizations and individuals that produce or import products and packaging to the **Vietnamese market** (*i.e. manufacturers and importers*) must carry the responsibility to recycle such products and packaging according to the compulsory recycling rates and specifications (Decree No. 08/2022/ND-CP, Article 77, Clause 1).

Which packaging types have to be recycled?

Commercial packaging (direct and outer packaging), meaning products and goods from: products and goods from (Decree No. 08/2022/ND-CP, Article 77, Clause 2):

a) Food according to the provisions of the law on food safety;

b) Cosmetics according to the provisions of law on cosmetic production conditions;

c) Drugs as prescribed by the law on pharmacy;

d) Fertilizers, animal feeds, veterinary drugs according to the provisions of the law on fertilizers, animal feeds and veterinary drugs;

dd) Detergents, preparations used in household, agricultural and medical fields;

e) Cement.

The **appendix XXII of Decree No. 08/2022/ND-CP** lists the products and packaging, which must be recycled with recycling rate and recycling recruitments. The extraction for plastic packaging is listed in the table:

Product catalog, Packaging: A.3. Plastic packaging	Required recycling rate for first 3 years	Mandatory recycling (Minimum 40% recovery by weight of product, packaging to be recycled according to the required recycling rate) Selected recycling solution:
A.3.1. Rigid PET packaging	22%	1. Producing recycled plastic beads used as production materials for industries. 2. Manufacture of other products (including PE fibers). 3. Chemical production (including oil).
A.3.2. Hard HDPE, LDPE, PP, PS packaging	15%	1. Producing recycled plastic beads as production materials for industries. 2. Manufacture of other products (including PE and PP fibers). 3. Chemical production (including oil).
A.3.3. Rigid EPS packaging	10%	1. Producing recycled plastic beads as production materials for industries. 2. Manufacture of other products. 3. Chemical production (including oil).
A.3.4. Rigid PVC packaging	10%	1. Producing recycled plastic beads as production materials 2. Manufacture of other products. 3. Chemical production (including oil).
A.3.5. Other hard plastic packaging	10%	1. Producing recycled plastic beads as production materials for industries. 2. Manufacture of other products. 3. Chemical production (including oil).
A.3.6. Soft material single packaging	10%	1. Producing recycled plastic beads as production materials for industries. 2. Manufacture of other products. 3. Chemical production (including oil).
A.3.7. Soft multi-material packaging	10%	1. Producing recycled plastic beads as production materials for industries. 2. Manufacture of other products. 3. Chemical production (including oil).

What is the roadmap?

Manufacturers and importers shall carry out the responsibility to recycle the products and packaging they manufacture or import from

January, 1, 2024. (Decree No. 08/2022/ND-CP Article 77, Clause 4)

Mandatory recycling rates and specifications

A **compulsory recycling rate** is the ratio of the minimum volume of products and packages that must be recycled according to the **mandatory recycling standards** to the total volume of manufactured products and packages that are put on the market and imported during the year of performance of the responsibility. The compulsory recycling rate is **adjusted by the Prime Minister every 3 years** gradually to meet the **national recycling target** and environmental protection requirement?

3. FORMS OF IMPLEMENTATION OF RECYCLING RESPONSIBILITY

How can the responsibility for recycling be implemented?

Manufacturers and importers have two forms of recycling responsibility (Article 54, Law on Environmental Protection):

- choose a **form of recycling responsibility** for one or a group of products and packaging (LEP 72/2020/QH14, Article 54, Clause 2, Point a).
- make **financial contributions** to the **Vietnam Environmental Protection Fund**, see details below on page 4, **VEPF** (LEP 72/2020/QH14, Article 54, Clause 2, Point b).

Regarding the forms of recycling responsibility, manufacturers can choose the following methods (Article 79, Decree No. 08/2022/ND-CP):

- Self-implementation** of recycling;
- Hire a **recycling unit** to carry out the recycling;
- Authorize an intermediary to organize the recycling, *i.e.* **authorized party**;
- Combine methods** specified at points a, b and c of this clause.

People's Committees at all levels, organizations, individuals and consumers have the responsibility to facilitate and support manufacturers, importers, recyclers, and authorized parties in the classification and collection of products and packaging after consumption in the locality (LEP 72/2020/QH14, Article 54, Clause 2, Point a; Decree No. 08/2022/ND-CP, Article 79).

4. REGISTRATION OF RECYCLING PLANS AND REPORTS ON RECYCLING RESULTS

What, to whom and when shall the manufacturers and importers register and report?

Manufacturers and importers shall **register their annual recycling plans and report the previous year's recycling results** to the Ministry of Natural Resources and Environment (MONRE) before March 31 of each year. The registration of the recycling plan is calculated according to the **volume of products and packaging placed on the market** in the previous year (Decree 08/2022/ND-CP, Article 80).

What about the case of manufacturers and importers who choose an authorized party?

The authorized party is **responsible** for registering and reporting **on behalf** of the manufacturer or importer (Decree No. 08/2022/ND-CP, Article 80).

What about the case of manufacturers and importers who choose the financial contributions to VEPF?

Manufacturers and importers who choose to make financial contributions to the VEPF **are neither required to register and implement a recycling plan, nor to report on the results of recycling** (Decree No. 08/2022/ND-CP, Article 80).

5. FINANCIAL CONTRIBUTIONS TO THE VIETNAM ENVIRONMENTAL PROTECTION FUND (VEPF)

How is the financial contribution to VEPF calculated?

The **Financial contribution** to the VEPF for each type of product and packaging (F) is determined by the formula: $F = R \times V \times Fs$ (Decree No. 08/2022/ND-CP, Article 81), in which:

F is the total **amount of money** that manufacturers and importers must pay to the VEPF for each type of product or packaging (unit: VND);

R is the **compulsory recycling rate** of each type of product and packaging (unit: %)(Decree No. 08/2022/ND-CP, Article 78, Clause 1);

V is the **volume** of products and packaging produced, put on the market and imported in the year of implementing the recycling responsibility (unit: kg);

Fs is a **reasonable and valid rate of recycling cost** for a unit volume of product or packaging, including costs for sorting, collection, transportation, product recycling, and packaging and management costs, to reflect manufacturers' and importers' recycling responsibility (unit: VND/kg). MONRE submits this rate to the Prime Minister to promulgate it and adjusts Fs every 3 years (Decree No. 08/2022/ND-CP, Article 81).

6. SUPPLY AND MANAGEMENT OF INFORMATION

Who is responsible for providing information about products and packages?

Manufacturers and importers are responsible for disclosing information about products and packaging they manufacture or import. Tax offices, customs offices, business registration agencies and relevant organizations are responsible for providing and sharing tax, customs, business registration and other information related to the production and import of products and packaging (Decree No. 08/2022/ND-CP, Article 86).

How shall manufacturers and importers declare their volumes?

Manufacturers and importers should **self-declare** and **send declarations** of financial contributions to the VEPF before March 31 of each year. The declaration of the financial contribution is calculated according to the **volume of production, market and import of products and packaging** of the previous year (Decree No. 08/2022/ND-CP, Article 81, Article 83, Article 84). The declarations shall comply with the provisions of Article 78 under the Circular No. 02/2022/TT-BTNMT.

What does the VEPF support?

The VEPF has been established has been established in 2002 and is currently operating 2002, currently operating under the Prime Minister's Decision No. 78/2014/QD-TTg dated December 26, 2014.

Financial contributions to the VEPF shall be used to support **activities of sorting, collection, transportation, recycling, product treatment, packaging**, and to support the **implementation of recycling responsibility** of manufacturers and importers. Agencies and organizations wishing to receive financial support for recycling activities shall submit an application to MONRE (Decree No. 08/2022/ND-CP, Article 81, Article 85).

What is the National EPR Portal for?

The National EPR Portal (<https://epr.monre.gov.vn/vi>) is **managed** by MONRE. The obligations of manufacturers and importers regarding the Decree 08/2022/ND-CP must be **registered, declared, reported, aggregated, and managed** on the National EPR Portal (Decree No. 08/2022/ND-CP, Article 87).

What is the National EPR Council for?

The National EPR Council has the task of **advising** and **assisting** MONRE in managing, supervising and supporting the performance of responsibilities of manufacturers and importers.



The National EPR Council includes representatives of MONRE and the Ministries of Finance, Industry and Trade, Health, Agriculture and Rural Development; representatives of manufacturers and importers; representatives of recycling units

and waste treatment units and representatives of relevant social and environmental organizations. It works on a collective basis, decisions are made by majority vote (Decree No. 08/2022/ND-CP, Article 88).

The EPR National Platform

The EPR National Platform was established in 2020, operating under Decision No. 1216/QĐ-BTNMT dated June 1, 2020, with the task of advising the Minister of Natural Resources and Environment about policies and measures to support organizations and individuals in implementing EPR for products and packaging.

The EPR National platform is a **multi-stakeholder consultation and dialogue mechanism**, including organizations and interested partners. Its duties are to promote EPR implementation via consultations and dialogues, to share information and resources, and to support the EPR policy formulation and implementation in Viet Nam.



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