Policy effectiveness assessment of selected tools for addressing marine plastic pollution

Extended Producer Responsibility in Viet Nam

ENVIRONMENTAL LAW PROGRAMME

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Extended Producer Responsibility in Viet Nam

Report prepared by Nguyen Hoang Phuong

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[1] Clearinghouse refers to an independent organization that monitors and supervises the activities of stakeholders (manufacturers) to ensure fairness and transparency.

[2] An orphan product is an item that was manufactured by producers who are no longer in the market.

[3] A historical product is an item that was produced and commercialized before the EPR policy existed.

Abbreviations

DLA	Department of Legal Affairs
DONRE	Department of Natural Resources and Environment
EIA	Environmental Impact Assessment
ELVs	End of life vehicles
EPR	Extended Producer Responsibility
ICT	Information and Communications Technology
ISPONRE	Institute of Strategy and Policy on Natural Resources and Environment
kg/person/year	Kilograms per person per year
Kt	Kilo ton
LEP	Law on Environmental Protection
MONRE	Ministry of Natural Resources and Environment
MoU	Memorandum of Understanding
Mt	Metric ton
OECD	The Organisation for Economic Co-operation and Development
PPP	Polluter-Pays Principle
PRO	Producer Responsibility Organization
PRO Viet Nam	Packaging Recycling Organization Viet Nam
SOE	State-owned Enterprises
VEA	Viet Nam Environment Administration
VEPF	Viet Nam Environment Protection Fund
VRP	Viet Nam Recycling Platform
WEEE	Waste Electrical and Electronic Equipment

1 Introduction

With little more than 100 years of development since its invention, plastic has become a miracle material applied in our day-to-day lives. Plastic is in popular use from the aerospace industry to household applications, from clothing to technology, from transport to healthcare, and food packaging to sports. Plastic makes our modern life possible, so it is difficult to imagine a world without plastic now. However, plastic pollution has become a global environmental crisis due to the rapidly increasing production that is overwhelming the ability to deal with plastic waste. Half of all plastics ever manufactured has been made in the last 13 years, but only around 9% has been recycled, 12% was incinerated, and 79% was accumulated in landfills or the natural environment.[4]

In Viet Nam, the plastic consumption per capita has been growing fast at 10.6% per year from 1990 to 2017, from 3.8 kilograms per person per year to 63 kilograms in 2017.[5] This data in 2018 is 92 kg/person/year, of which 67 kg/person/year go to waste and 24 kg/person/year go to increase the stock.[6] Viet Nam has recycled 13% of total plastic waste, but most of it comes from imported waste, while only 1% corresponds to domestically generated waste.[7] More than half of the plastic waste generated in Vietnam remains uncollected (4 mt/ year) due to low collection rates outside city centres, high littering rates and open burning of waste.[8] The packaging sector contributes to almost 70% of the total plastic leakage while the textile sector is the second highest contributor to plastic leakage in absolute value (40 kt). Fishing, medical and tourism sectors have a low contribution in absolute leakage but have very high leakage rates. By application, plastic bags are by far the highest contributors in absolute leakage (426 kt) and rank second in leakage rate (20%). Because of the use of unsanitary landfills and dumpsites, a fourth of the waste collected is mismanaged; this together with the uncollected waste leads to a high mismanaged waste index, especially outside urban areas.[9]

Due to the popularity and diversity of plastic and its applications, the issue requires a comprehensive approach to address marine plastic pollution. However, the Viet Nam legal system has managed plastic waste like any other solid waste, with competences fragmented between many authorities. A holistic approach to solid waste management - including plastics, incorporation of the domestic issues and scrap imports – is needed, in which authority and responsibility are well demarcated.[10] The leverage point comes from developing the new Law on Environmental Protection (LEP), passed on 17 November 2020. Therefore, solid waste management has been consolidated by the Ministry of Natural Resources and Environment, and a new Extended Producer Responsibility (EPR) policy was introduced.

EPR is an environmental policy approach in which a producer's responsibility for a product is extended to the waste stage of that product's life-cycle.[11] Consistent with the Polluter-Pays Principle (PPP), EPR policies shift the financial responsibility for treating end-of-life products from taxpayers and municipalities to producers and, ultimately, consumers.[12] EPR policies, nevertheless, aim to internalise

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[4] Geyer, R., Jambeck, J. R. & Law, K. L. Production, use, and fate of all plastics ever made Supplementary Information. *Sci. Adv.* **3**, 19–24 (2017).
[5] Phương, T. V. Báo cáo ngành nhựa. *FPT Secur.* (2019).
[6] IUCN-EA-QUANTIS (2020). *National Guidance for plastic pollution hotspotting and shaping action*. Country report Vietnam.
[7] Ibid.
[8] Ibid.
[9] Ibid.
[10] Phuong, N.H. (2020). *The legal, policy and institutional frameworks governing marine plastics in Viet Nam*. IUCN, Bonn, Germany.
[11] United Nations / Basel Convention (2019) *Revised draft practical manual on Extended Producer Responsibility.* Section II. UNEP/CHW.14/5/Add.1. Adopted by the 14th Meeting of the Conference of the Parties of the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal, 29 April-10 May 2019.
[12] OECD. *Extended Producer Responsibility: Updated Guidance for Efficient Waste Management*. *OECD Publishing* 54, (OECD, 2016).

environmental costs throughout the product life-cycle, including at the design stage.[13] EPR is a proven policy instrument that not only contributes to reducing waste disposal and increasing recycling but also generates economic opportunities as well as environmental benefits.[14] *Inter alia*, EPR has a critical advantage in being an instrument dealing with a wide range of waste that plays the foremost role in response to the popularity and diversity of plastic wastes. EPR allows for creating a self-financed and incentivized system that provides a financing solution for a government wanting to improve the waste management and recycling standards in its country but not raising taxes and municipal charges in traditional ways.[15] This fact makes it attractive for both government and industry to participate.

This report undertakes a four-level effectiveness analysis of the principle of EPR with regard to addressing plastic leakage into the marine environment in Viet Nam. The final recommendations will focus on the appropriate design and structure of EPR in its guiding regulations of LEP. The methodology is elaborated below:

- *Desktop research and literature review*: focusing on reviewing EPR implementation in Viet Nam, best practices, and international case studies on developing and implementing EPR policies, especially in the plastic and packaging industry. Beyond this, the literature review included research on the environmental and socio-economic impacts of plastic pollution and developing country's issues and the necessary and sufficient conditions for successful EPR models to provide broader justification for mandatory EPR policy in Viet Nam.
- *EPR expert interviews and discussion*: a semi-structured interview guide that served as a primary mode of data collection for perceptions surrounding EPR. The interviewees were selected based on their expertise and contextual knowledge, as well as familiarity with the concepts of EPR. The study includes semi-structured interviews with local and international experts that were conducted between July 2020 and January 2021. The virtual focused meetings and workshops with the international consultant team of WWF-Viet Nam on assessing the implementation of an EPR system for packaging waste in Viet Nam were held from September to December 2020, alongside the development of EPR regulations in LEP 2020. They bring more specific international experience and analysis of their EPR options for Viet Nam.
- *Stakeholder engagement process:* A broader stakeholder engagement process conducted via virtual and in-person meetings in the EPR workshops and the EPR National Platform. Four national workshops on EPR were organized from March 2019 to December 2020. The EPR National Platform was established in April 2020 to increase the information exchange, synergize the efforts and dialogue amongst members. These will provide an inclusive participatory process for engaging with industry and other key stakeholders to improve awareness of EPR policy and obtain key stakeholder inputs into the draft EPR Policy recommendations. The most recent workshop was organized on 18 December 2020 in Da Lat city to introduce the draft Decree on EPR that is guiding the regulations in LEP 2020.
- *Synthesized report:* The outcomes from the desktop research, analysis of expert interviews, and broader stakeholder engagement are compiled in this report. This report will be presented to the Legal Affairs Department under MONRE as proposed input for their development of the EPR Decree in Viet Nam.

[13] Ibid.
[14] Ibid.
[15] Lindhqvist, T. (2000). *Extended Producer Responsibility in Cleaner Production - Policy Principle to Promote Environmental Improvements of Product Systems*. Doctoral Dissertation, International Institute of Industrial Environmental Economics, Lund University.

2 Instrumental level

EPR itself is not a legal tool that needs to be expressed through the policy and law instruments. According to OECD, four broad categories of EPR policy instruments exist, though they are sometimes used in combination, including (i) Product take-back requirements; (ii) Economic and market-based instruments; (iii) Regulations and performance standards; and (iv) Information-based instruments. These instruments are described in the product cycle in Figure 1.

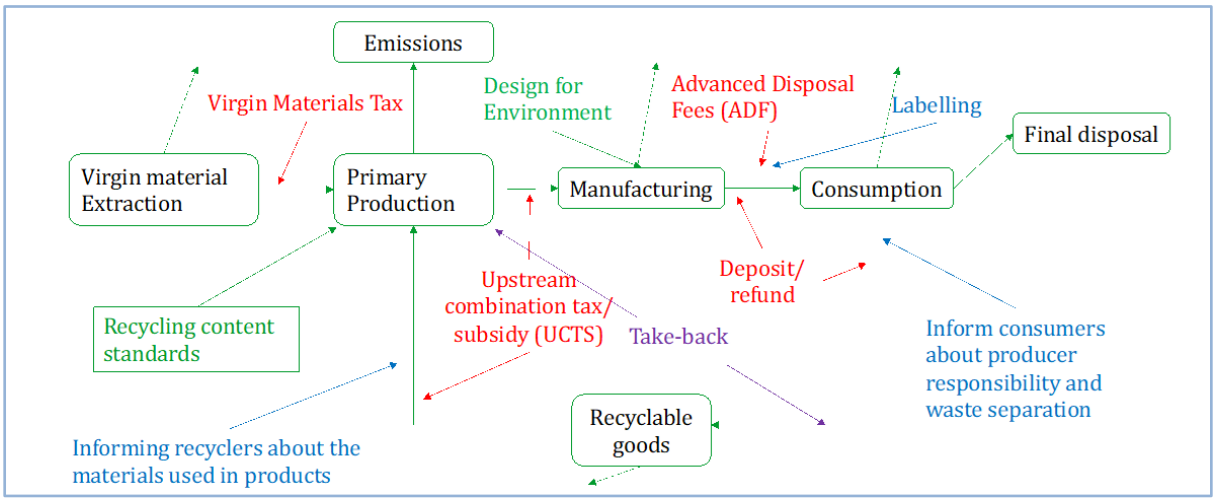

Figure 1 Extended Producer Responsibility policy instruments in the product cycle[16].

Therefore, each policy instrument has different approaches and aims at different policy objectives:

Product take-back requirements involve assigning responsibility to producers for the end-of-life management of products. This type of requirement is often achieved by establishing recycling and collection targets for a product or material.[17] To achieve these targets, producers often provide incentives for consumers to return the used product to a specified location such as the selling point or their collection points.

Economic and market-based instruments provide a financial incentive to implement EPR policy. They come in several forms, including:[18]

- *Deposit-refund:* an initial payment (deposit) is made at purchase and is fully or partially refunded when the product is returned to a specified location.
- *Advanced Disposal Fees (ADF):* fees levied on certain products at purchase based on the estimated costs of collection and treatment. The fees may be collected by public or private entities and used to finance post-consumer treatment of the designated products.
- *Material taxes*: involve taxing virgin materials (or materials that are difficult to recycle, contain toxic properties, etc.) so as to create incentives to use secondary (recycled) or less toxic materials. Ideally, the tax should be set at a level where the marginal costs of the tax equal the marginal treatment costs. The tax should be earmarked and used for the collection, sorting, and treatment of post-consumer products.

[16] This figure was adapted from OECD (2016). The author added and marked colours for all four categories of EPR instruments in product cycle, not only the take-back and economic instruments as the original version.
[17] OECD. Extended Producer Responsibility: Updated Guidance for Efficient Waste Management. OECD Publishing 54, (OECD, 2016).
[18] Ibid.

- *Upstream combination tax/subsidy (UCTS)*: a tax paid by producers subsequently used to subsidise waste treatment. It provides producers with incentives to alter their material inputs and product design and provides a financing mechanism to support recycling and treatment.

Regulations and performance standards such as minimum recycled content can encourage the take back of end-of-life products. When used in combination with a tax, such standards can strengthen incentives for the redesign of products. Standards can be mandatory or applied by industries themselves through voluntary programmes.[19]

Information-based instruments aim to indirectly support EPR programmes by raising public awareness. Measures can include reporting requirements, labelling of products and components, communicating to consumers about producer responsibility and waste separation, and informing recyclers about the materials used in products.[20]

EPR policies are not mutually exclusive, e.g. producers may charge an advance disposal fee to cover the cost of a take-back obligation. Based on the policy objectives and priorities, lawmakers can use the specific instruments or a combination of them. The contribution of the EPR system to the objectives of shifting the financial burden, increasing recycling, improving the design for the environment or generating the economic opportunities are very different based on the instruments used. Due to diverse waste sources, material markets, the availability of solid waste management infrastructures, technology and innovation, the culture, and customer behaviours, the level of achieving the policy objectives in waste management and resource productivity vary amongst countries.

However, the trend of adoption of EPR systems has been significantly increasing in line with an accelerated emphasis on waste management policies in many countries. A total of 384 EPR policies were reviewed by OECD in 2013, and more than 70% have been implemented since 2001.[21] Regarding the policy instruments employed in EPR, various forms of take-back requirements are the most commonly used (72% globally), sometimes in combination with advance disposal fees (ADF). Advance disposal fees are the next most frequently used instrument (16%). These instruments are used for a wide range of products. Deposit/refund instruments (11%) are concentrated in the used beverage container and lead-acid battery markets, sometimes in combination with take-back requirements. The other possible EPR policy instruments identified in the 2001 Manual – upstream combined tax/subsidy, recycling content standards, and virgin material taxes – appear to be used infrequently, if at all.[22]

2.1 Current regulations on the EPR system

Viet Nam is a member of various Multilateral Environmental Agreements (MEAs) related to waste management, such as the Stockholm Convention on Persistent Organic Pollutants,[23] the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade,[24] the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal (Basel Convention),[25] and the International Convention for the Prevention of Pollution from Ships, 1973, as modified by the Protocol of 1978 relating thereto and by the Protocol of 1997.[26] These international instruments provide a good basis for Viet Nam to formalize

[19] Ibid.
[20] Ibid.
[21] Ibid.
[22] Ibid.
[23] Viet Nam signature on 23 May 2001, ratification on 22 July 2002 and entry in force from 17 May 2004.
[24] Viet Nam accession 7 May 2007 and entry into force from 5 August 2007.
[25] Viet Nam accession 13 March 1995 and entry into force from 11 June 1995.
[26] Viet Nam accession 29 May 1991 and entry into force from 29 August 1991 (Annex I and II); and Annex III, IV, and V accession 19 December 2014 and entry into force from 19 March 2015.

and strengthen its waste management, including marine plastics. Especially the EPR is strongly recommended by the Basel Convention as a well-known mechanism to prevent waste generation.[27]

The EPR approach is a way to internalise part of the environmentally related costs in the price of the product and thus is in correspondence with the Polluter Pays Principle (PPP).[28] The PPP is well-recognized in both Viet Nam's Constitution and LEP. Additionally, the Constitution of Viet Nam of 2013 recognizes for the first time the environmental rights and environmental protection duty.[29]The PPP has been a key principle of environmental management from the first generation of LEP in 1993 to the most recent fourth generation of LEP in 2020.[30] Therefore, Viet Nam already has a good foundation for the development of EPR as a possible legal tool to address the pollution and the leakage of plastic into the marine environment.

The EPR concept was first introduced in the Law on Environment Protection in 2005, with take-back requirements for some post-consumer products.[31] The main idea behind developing EPR in Viet Nam was looking for a financial solution to address the pollution caused by informal recycling in the craft villages.[32] The development of EPR regulations was a slow process surrounded by a lot of questions and debates that resulted in the lack of targets for take-back requirements.[33] Until 2013, the list of products included was detailed in the Prime Minister's Decision No. 50/2013/QD-TTg but was soon revised in 2015 with a narrower scope of take-back products and without a target for collection and/ or recycling.[34] While chemicals used in industry, agriculture, fisheries, and medicine for humans were repealed, batteries, WEEE, oils, and tyres started to apply from 1 July 2016 and end of life vehicles (ELV) were included from 1 January 2018.[35] Packaging was not listed despite the large portion of the total solid waste and leakages that it represents.

The current legal framework allows the producers to self-organize, form a partnership with other manufacturers, and also authorizes manufacturers' associations to organize the take-back operations, but without the mandatory target for collection, recycling, and/ or treatment.[36] Additionally, taking back discarded products with different trademarks but of the same types can be seen as an efficient result of such manufacturer.[37] As such, the collective actions, or in other words the establishment of Producer Responsibility Organizations (PROs) for EPR implementation, are already recognised, but there is no

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[27] UNEP. Follow-up to the Indonesian-Swiss country-led initiative to improve the effectiveness of the Basel Convention. 1–43 (2017).

[28] Lindhqvist, T (2000). *Extended Producer Responsibility in Cleaner Production - Policy Principle to Promote Environmental Improvements of Product Systems*. Doctoral Dissertation, International Institute of Industrial Environmental Economics, Lund University.

[29] Constitution of the Socialist Republic of Viet Nam, 2013. Article 43.

[30] Luật Bảo vệ môi trường (29-L/CTN; 27/12/1993). Article 7; Luật Bảo vệ môi trường (52/2005/QH11; 29/11/2005). Article 4.5; Luật Bảo vệ môi trường (55/2014/QH13, 23/06/2014). Article 4.8; and Luật Bảo vệ môi trường (72/2020/QH14; 17/11/2020). Article 4.6.

[31] *Luật Bảo Vệ Môi Trường* (52/2005/QH11, 29 November 2005). Article 67.

[32] Nguyen Trung Thang (10 December 2009). *Mở rộng trách nhiệm của nhà sản xuất trong bảo vệ môi trường và việc áp dụng ở Việt Nam.* Institute of Strategy and Policy on Natural Resources and Environment. Available at https://isponre.gov.vn/home/dien-dan/446-mo-rong-trach-nhiem-cua-nha-san-xuat-trong-bao-ve-moi-truong-va-viec-ap-dung-o-viet-nam (accessed on 10 Jan 2021). For more information on the "craft village", see Phuong, N.H. (2020). *The legal, policy and institutional frameworks governing marine plastics in Viet Nam*. IUCN, Bonn, Germany.

[33] Duong Ha (17 July 2011). *Thu hồi, xử lý sản phẩm thải bỏ: Muộn còn hơn không!* Lao Dong Online. Available at https://laodong.vn/archived/thu-hoi-xu-ly-san-pham-thai-bo-muon-con-hon-khong-690767.ldo (Accessed on 10 Jan 2021). Thanh Tâm (25 November 2014). *Thu hồi, xử lý sản phẩm thải bỏ: Còn nhiều băn khoăn*. Bao Cong Thuong. Available at https://congthuong.vn/thu-hoi-xu-ly-san-pham-thai-bo-con-nhieu-ban-khoan-42823.html (accessed on 10 Jan 2021).

[34] *Quyết Định Quy Định Về Thu Hồi Và Xử Lý Sản Phẩm Thải Bỏ Do Thủ Tướng Chính Phủ Ban Hành* (50/2013/QĐ-TTg; 09 August 2013).

[35] *Quyết Định Quy Định Về Thu Hồi, Xử Lý Sản Phẩm Thải Bỏ Do Thủ Tướng Chính Phủ Ban Hành (16/2015/QĐ-TTg; 22 May 2015). Enclosed Appendix.*

[36] Ibid, Article 6.1, 6.2 and 6.3.

[37] Ibid, Article 6.4.

motivation for producers to act. None of the PROs have formed in Viet Nam, some waste streams such as ELVs reported no products were returned by customers.[38]

In practice, the producers have shifted their responsibilities for operating the collection and transportation and related costs to customers in combination with creating the disincentive for them in return. Both LG Viet Nam and Toyota Viet Nam organize only one collection point regardless of their country-wide distribution.[39] Panasonic Viet Nam even reminds people that they do not apply any incentive policy to exchange the products; by stating that only the genuine products which are intact, with no breakage or missing parts, are accepted at their collection points.[40] NEC – an Information and Communications Technology (ICT) Equipment provider - requires contact in advance to arrange the return of discarded products.[41] In most cases, discarded products are only accepted if they are manufactured and directly purchased from the company or their official/ authorized distributors. All related expenses in transporting disposed products to the recall/ collection points have to be paid by the consumer.

In contrast, the informal sectors supply convenient services and in-cash incentives by buying these discarded products at home. In the circular economy created by the informal sectors, these products will be recycled in the craft villages, which causes serious pollution and leakages in Viet Nam. [42] The negligence of producers not only impedes recycling but also indirectly contributes to the pollution in Viet Nam.

Although the EPR regulations did not set the target for collection and recycling, they apply sanctions for such violations as not planning for take-back implementation, non-reporting of results, no collection point establishment, refusal to receive the discarded products or causing pollution related to the collection points, which can be fined from VND 5 millions to 200 millions.[43] Explaining the "halfway" approach between the non-compulsory target and compulsory procedure, "*MONRE was failed*" in developing the full EPR system due to pressure from the government caused by lobbying from the related industries and commercial and industrial associations.[44]

2.2 EPR schemes under the LEP 2020 (shall take effect on 1 January 2022)

LEP 2020 uses two types of policy instruments which are the most used globally and can apply for a wide range of products to address the wide range of plastic applications. These are (i) Take-back requirement in Article 54;[45] and (ii) Advance Disposal Fee (ADF) in Article *55.* [46] There are two approaches for the post-use products and packages as detailed:

Recycling Responsibility system in Article 54 (Take-back requirement policy) will be applied for recyclable products and packaging. The proposed list by the Government includes the batteries, WEEEs, oil and lubricant, tyres, ELVs, and packaging (see Annex I).[47]

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[38] Interview of Mr. Nguyen Thi – Department of Legal Affairs, MONRE.
[39] Toyota Viet Nam Announcement (2019). Available at http://www.toyotavn.com.vn/en/news/hot-news/848/toyota-vietnam-announces-to-change-discarded-products-collection-point-under-decision-no16-2015-qd-ttg-by-prime-minister (accessed on 12 August 2020).
[40] Panasonic Viet Nam (2016). Available at https://www.panasonic.com/vn/en/corporate/news/articles/20160617-collection-points-for-take-back-of-panasonic-discarded-products.html#.X-tzOy8RrBI (access on 12 August 2020).
[41] NEC Press Release. The notes. Available at https://vn.nec.com/en_VN/press/201807/20180706_02.html (access on 12 August 2020).
[42] Phuong, N.H. (2020). *The legal, policy and institutional frameworks governing marine plastics in Viet Nam*. IUCN, Bonn, Germany.
[43] *Nghị Định Quy Định Về Xử Phạt Vi Phạm Hành Chính Trong Lĩnh Vực Bảo Vệ Môi Trường* (155/2016/NĐ-CP; 18/11/2016). Article 31.
[44] Interview of Mr. Phan Tuan Hung – Director of Legal Affairs Department, MONRE.
[45] *Luật Bảo Vệ Môi Trường (72/2020/QH14; 17 November 2020).* Article 54.
[46] *Luật Bảo Vệ Môi Trường (72/2020/QH14; 17 November 2020).* Article 55.
[47] *Draft Decree on Guiding some articles of the Law on Environmental Protection 2020*. EPR Chapter. Annex I.

Treatment Responsibility in Article 55 (*ADF policy)* will be applied for products and packaging where collection is difficult, or they contain toxins (including the packaging of chemicals, paints, pesticides, diapers, chewing gum, cigarettes, some single-use plastics products), and other products containing plastic materials (see more in the Annex II).[48]

3 Institutional level

According to the definition of EPRs, EPR systems can allow producers to exercise their responsibility either by providing the financial resources required and/or by taking over the operational aspects of the process from municipalities. Producers assume the responsibility voluntarily or mandatorily; EPR systems can be implemented individually or collectively.[49] This definition per se describes the diversity of the institutions and organizational structures of EPR systems.

The organisation of EPR systems across the world, however, has tended to follow a handful of approaches: single PRO, competing PROs, tradable credits, and government-run.[50] A country may have not only different EPR systems for waste streams, but those systems may have different governance structures.

Despite the EU's legal framework on EPR, policies have been designed and implemented in a very heterogeneous manner across Europe. All existing EPR schemes in the 28 nations of the EU in 2013 largely vary in terms of implementation models, including: EPR scheme, Takeback obligation but no PRO, Product fee legislation/ Governmental fund.[51] Besides the collective models in PROs, individual schemes exist for most waste streams.[52]

3.1 Current EPR system

Within the current EPR system, the producers can collect their post-used products by the following methods:

(i) Self-organize or jointly organize with each other; using distributors at the collection points or collection systems;[53]

(ii) Collaborate or authorize transportation agencies and recyclers with appropriate functions; [54]

Due to the fact that discarded products have to be managed as hazardous waste, producers need to comply with corresponding regulations on technical requirements for storage and procedures for collection point management (such as records, reports, etc.).[55] The transportation of discarded products also has to meet technical requirements when it comes to transport vehicles, this includes GPS tracking

[48] *Draft Decree on Guiding some articles of the Law on Environmental Protection 2020. EPR Chapter. Annex II.*
[49] United Nations / Basel Convention (2019) *Revised draft practical manual on Extended Producer Responsibility.* Section II. UNEP/CHW.14/5/Add.1. Adopted by the 14th Meeting of the Conference of the Parties of the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal, 29 April-10 May 2019.
[50] OECD. *Extended Producer Responsibility: Updated Guidance for Efficient Waste Management*. *OECD Publishing* 54, (OECD, 2016).
[51] Deloitte. Development of Guidance on Extended Producer Responsibility (EPR). *Eur. Comm. – DG Environ. No* 1–227 (2014).
[52] Ibid.
[53] *Quyết Định Quy Định Về Thu Hồi, Xử Lý Sản Phẩm Thải Bỏ Do Thủ Tướng Chính Phủ Ban Hành* (16/2015/QĐ-TTg; 22 May 2015). Article 5.2.
[54] *Quyết Định Quy Định Về Thu Hồi, Xử Lý Sản Phẩm Thải Bỏ Do Thủ Tướng Chính Phủ Ban Hành* (16/2015/QĐ-TTg; 22 May 2015). Article 4.1.b.
[55] *Quyết Định Quy Định Về Thu Hồi, Xử Lý Sản Phẩm Thải Bỏ Do Thủ Tướng Chính Phủ Ban Hành* (16/2015/QĐ-TTg; 22 May 2015). Article 4.4.

and a hazardous waste management license or hazardous waste treatment license.[56] As such, in case of self-organizing the collection, the producers have to obtain the licenses themselves or hire agencies with proper hazardous waste management licenses or hazardous waste treatment licenses. This is excepted in cases where the hazardous waste generated is less than 600 kg/ year or in remote areas as approved by the provincial People's Committee for transportation.[57]

The treatment can be handled with the following methods: (i) self-treatment; (ii) handover for domestic waste treatment; (iii) export; (iv) reuse; or (vi) other regulated methods (only allowed with the proper hazardous waste treatment license).[58]

As mentioned earlier, the current EPR system does not set the target for take-back requirement; therefore, there is not a great motivation for collective actions or the establishment of Producer Responsibility Organizations (PROs) for EPR implementation. One of the highlights is the Vietnam Recycling Platform (VRP), an alliance for electronic manufacturers in Viet Nam that implements the free e-waste take-back program (Viet Nam Recycles). However, despite their countless engagement efforts for recruiting more members, VRP has only two members, which are also co-founders: HP Technology Vietnam and Apple Vietnam.[59] VRP is operated by Reverse Logistics Vietnam and supplies the free take-back in Ha Noi and Ho Chi Minh City only. They contract with two hazardous waste management companies in Bac Binh and Binh Duong to organize the transportation and treatment.[60] In most cases, the producers choose to self-organize individually but try to skip their obligations by shifting their responsibilities to customers to discourage them from returning post-used products.

3.2 EPR schemes under the LEP 2020 (shall take effect on 1 January 2022)

In LEP 2020, EPR schemes allow the producers to exercise their recycling responsibility based on their choices by either individual or collective action, either industry-led or government-run schemes (see Figure 2). Regarding the treatment responsibility, there is only one option of contribution to the Viet Nam Environment Protection Fund (VEPF) (see Figure 3). VEPF is a State financial institution under the MONRE, established by the Prime Minister's decision.[61] VEPF has the function of providing preferential interest rates, grants, interest rate support for programs, projects, activities and tasks of environmental protection and climate change response.[62]

3.2.1 Recycling responsibilities

All obligated producers have to register and report their implementation plans to MONRE. There are four options that producers can choose to fulfil their responsibilities:

a. *Self-recycling:* the producers self-organize their collection, transportation, and recycling in their own facilities if they meet the following requirements:[63]

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[56] *Thông tư quy định về thu hồi, xử lý sản phẩm thải bỏ do Bộ trưởng Bộ Tài nguyên và Môi trường ban hành* (34/2017/TT-BTNMT; 04/10/2017).
[57] *Thông tư quy định về thu hồi, xử lý sản phẩm thải bỏ do Bộ trưởng Bộ Tài nguyên và Môi trường ban hành* (34/2017/TT-BTNMT; 04/10/2017). Article 7.8; *Thông tư về quản lý chất thải nguy hại do Bộ trưởng Bộ Tài nguyên và Môi trường ban hành* (36/2015/TT-BTNMT; 30/06/2015). Article 24.
[58] *Quyết Định Quy Định Về Thu Hồi, Xử Lý Sản Phẩm Thải Bỏ Do Thủ Tướng Chính Phủ Ban Hành* (16/2015/QĐ-TTg; 22 May 2015). Article 5.8.
[59] For more information, see https://www.vietnamrecycles.com/en/about (accessed on 10 Jan 2021). Microlife joined the VRP in 2016 but stopped in 2017 after having sold the Nokia brand and no longer selling the hardware. Interview of Ms. Jobie Hang Nguyen, the Program Manager of the Vietnam Recycling Platform.
[60] Ibid.
[61] *Quyết Định Thành Lập, Tổ Chức Và Hoạt Động Của Quỹ Bảo Vệ Môi Trường Việt Nam Do Thủ Tướng Chính Phủ Ban Hành* (82/2002/QĐ-TTg; 26/06/2002). For more information on VEPF, see the website: https://vepf.vn/en/home.html
[62] *Quyết Định Về Tổ Chức Và Hoạt Động Của Quỹ Bảo Vệ Môi Trường Việt Nam Do Thủ Tướng Chính Phủ Ban Hành* (78/2014/QĐ-TTg; 26/12/2014).
[63] *Draft Decree on Guiding some article of Law on Environment Protection 2020*. EPR Chapter.

(i) Have the legal status, functions and capacity to collect, transport, recycle and treat waste according to the related regulations;

(ii) Have environmental licenses regarding collection, transportation, recycling, and treatment of wastes in accordance with the related regulations;

(iii) Have a system to monitor, report and control waste collection, transportation, recycling and treatment as prescribed by the related regulations;

(iv) Results verified by independent audits.

b. *Contracting Recyclers:* the producer can either self-organize the collection and transportation while hiring the respective contractors for recycling; or sign a result-based contract with recyclers who will organize the collection and transportation for their recycling. These operators have to satisfy the corresponding conditions for their operational activities of collection, transportation, recycling and treatment as above mentioned. The producers are responsible for the results regardless of whether they are implemented by the hired parties.

c. *Collective action through PRO:* this option can lead to a single PRO, multiple PROs but no competition, or competing PROs model based on the negotiation of producers. The requirements for PRO include:

(i) Have a legal status

(ii) Register the operation with MONRE;

(iii) Joint liability with producer members on the result of recycling target implementation;

(iv) Do not have ownership with Solid Waste Management and/ or Recycling companies.

(v) Open tender for service providers with contract term less than 5 years.

(vi) Results verified by independent audits.

The concentration of producers in PROs can define their market power and raise many competition issues, *inter alia*, there are serious concerns of foreclosure on competition and information leakage in the vertically integrated[64] PROs, especially in the case of the single-PRO model. The draft Decree has blocked vertical integration of a Waste Management and Recycling company with a PRO.[65] To avoid the abusing of a dominant position in the market, the draft Decree also requires open tender in the procurement of services such as waste collection, sorting, and treatment. The duration of these contracts also can affect competition. If it is too short, it is hard to attract the investment in recycling but if it is too long, some of the benefits of competition, e.g. the adoption of more efficient technology, are lost. Further, future competition is harmed if those waste collectors who do not win a PRO contract in one year find it difficult to "survive" and be a viable bidder in the next procurement opportunity.[66] Therefore, being as pro-competitive as possible can help the EPR policies in achieving as much as possible their environmental policy goals. One guideline, for example, says that contracts between packaging waste collectors and dominant PROs exceeding three years duration are not indispensable, and that collectors and recyclers should not be obliged to contract exclusively with one PRO.[67]

d. *Government-run EPR model through VEPF*: the producers contribute the financial support for VEPF to fulfil their responsibilities. This is a back-up option that applies to either the producers who are fined due to their failure in implementing their obligations and the payment is a remedial

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[64] *For-profit PROs are generally owned by investors at different levels of the supply chain such as Waste Management Companies or recyclers, which can result in PROs becoming vertically.integrated entities. (Bretz*, O. & Pinto, D. *Study on the Vertical Integration of Producer Responsibility Organisations and their effect on the market*. (2020). Report prepared by Euclid Law Limited for Extended Producer Responsibility Alliance (EXPRA).

[65] Bretz, O. & Pinto, D. *Study on the Vertical Integration of Producer Responsibility Organisations and their effect on the market*. (2020). Report prepared by Euclid Law Limited for the Extended Producer Responsibility Alliance (EXPRA).

[66] OECD. *Extended Producer Responsibility: Updated Guidance for Efficient Waste Management*. *OECD Publishing* 54, (OECD, 2016).

[67] Ibid.

action, or the producers who cannot apply the previous three options. In this case, the prices of service are decided by the Interdisciplinary Council of representatives of the Ministries of Natural Resources and Environment, Industry and Trade, and Finance; producers; the respective producer; manufacturers and importers associations, related recycling associations; Consumer Protection associations; environmental organizations and associations. The Council works according to the principle of collective consensus and decision by majority. As such, this option limits the rights of the producers in negotiating the service prices as in the above options.

It is worth mentioning that the coexistence of VEPF and PROs has raised a lot of concerns from both international consultants and members of PRO Viet Nam. The representative of PRO Viet Nam was afraid of unfair competition between them and VEPF due to the close relationship between the VEPR and MONRE. Additionally, from a risks management perspective, the producers will favour joining the VEPF led by MONRE rather than PROs led by industries.[68] The WWF's international consultants from Cyclos GmbH and Intecus GmbH suggested a set-up with no competing options between them by either PRO collecting the fees and turning to VEPF for support for recycling, or vice versa, or to combine VEPR and PRO as system operator, which is very much dependent on smooth collaboration between the two entities PRO and VEPF. They emphasised that the competition through fees and related costs has a strong tendency to undermine the viability of each option and the crucial point that money from the VEPF is not channelled into anything else but packaging waste management.[69]

Partly agreeing with PRO Viet Nam and international consultants, VEPR should only be the back-up plan that can disincentivise the producers' participation by a prices mechanism as above mentioned. In case of receiving the financial contribution from producers, VEPR must play the role of a PRO, not a support, as its role in Treatment Responsibility is mentioned directly below. The collaboration and/ or combination between PRO and VEPR in operating the EPR schemes are not feasible. The failure of the current EPR policy has ruined the trust between the MONRE and businesses that is also a reason for a back-up plan setting.

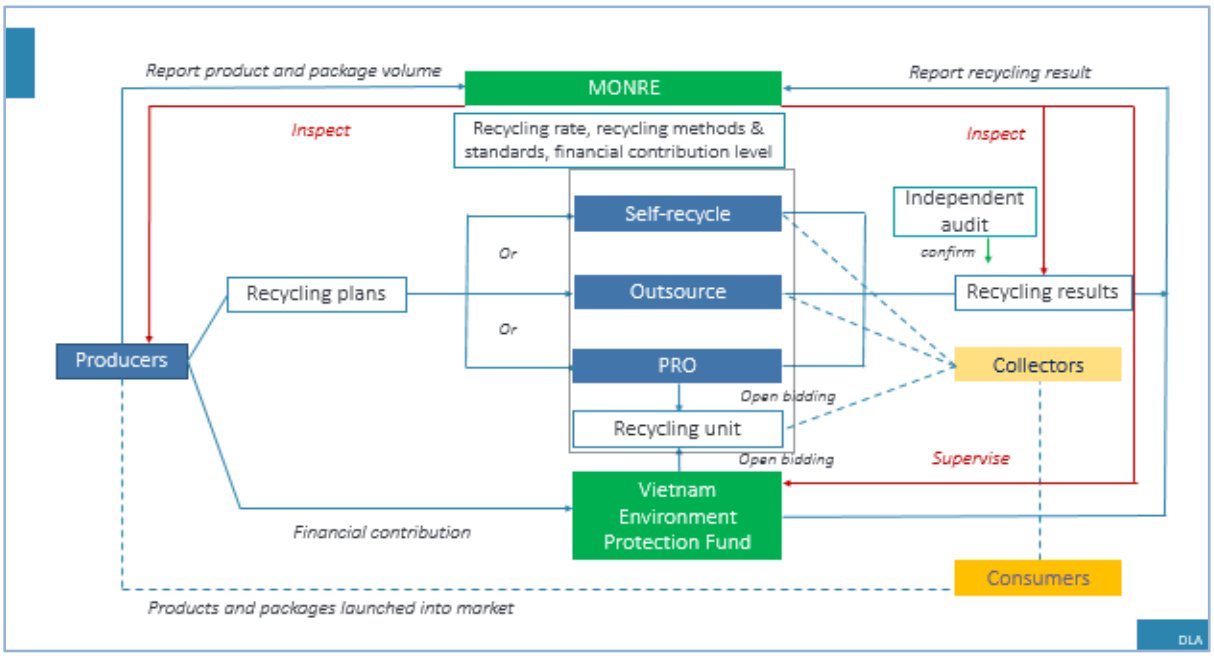

Figure 2 Four Options for organizing the Recycling Responsibility in Article 54 LEP 2020 by MONRE. Source: Department of Legal Affairs, Ministry of Natural Resources and Environment, 2021.

[68] Discussion with Mr. Fausto Tazzi – Chairman of PRO Viet Nam in the 2nd meeting of EPR National Platform on 19 November 2020.

[69] The Cyclos GmbH and Intecus GmbH's presentation "Assessing the implementation of an EPR system for packaging waste in Viet Nam - Dissemination of Results" dated 27 November 2020 in WWF Workshop on 16 December 2020.

3.2.2 *Treatment responsibility*

The treatment responsibility is mostly applied to the products and packaging that are difficult in collection and treatment (see more in Annex II). Therefore, LEP 2020 requires that the producers pay the financial contribution to VEPF to synergize all sources. The payment is based on the volume of products sold on the market. The VEPF will use these contributions to support (a) Collection, transportation, and treatment of domestic solid waste generated from households and individuals; (b) R&D on technology, techniques, and initiatives for domestic solid waste treatment; (c) Collection, transport and treatment of the packages of plant protection products.[70] VEPR was established under the MONRE since 2002 and currently manages around 1,800 billion VND of operating capital to support the environmental protection program nationwide.[71]

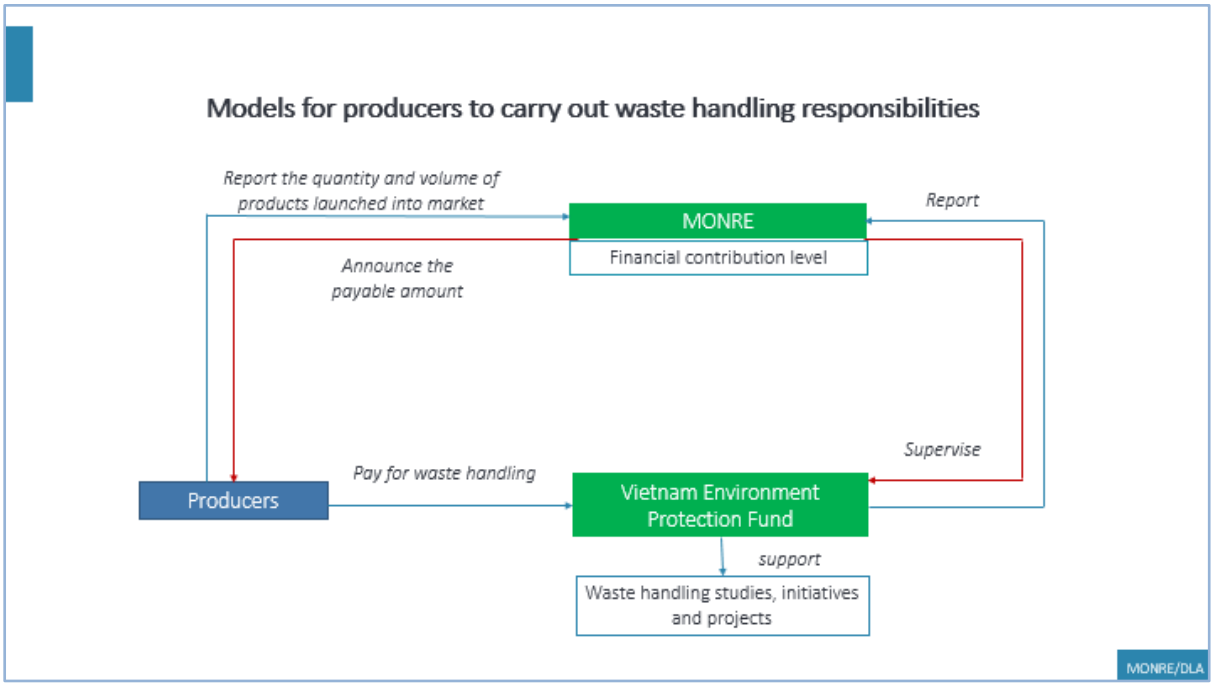

Figure 3 Organization for organizing the Treatment Responsibility in Viet Nam. Source: Department of Legal Affairs, Ministry of Natural Resources and Environment, 2021.

4 Behavioural level

EPR is a concept that has impacts throughout the whole product lifecycle; from the upstream impacts inherent in the selection of materials for the products, to impacts from the manufacturers' production process itself, and downstream impacts from the use and disposal of the products. In order to analyse the implications for EPR systems, Thomas Lindhqvist has identified four groups of key actors including producers, users, waste managers, and authorities in the implementation of these systems (see Figure 4). All these actors have their particular roles and particular possibilities of influencing various parts of the production system.

Although the LEP 2020 has not entered into effect yet, the significant behaviour changes recently during the period of developing the LEP in general and EPR, in particular, can be considered as implications of the EPR systems in Viet Nam. The behaviour changes are a process affected by many conditions.

[70] *Luật Bảo Vệ Môi Trường (72/2020/QH14; 17 November 2020).* Article 55.3
[71] For more information on VEPF, see the website: https://vepf.vn/en/home.html

This section describes the changing process from when the EPR was first introduced in Viet Nam to the present rather than dividing them into periods. The turning points will be highlighted.

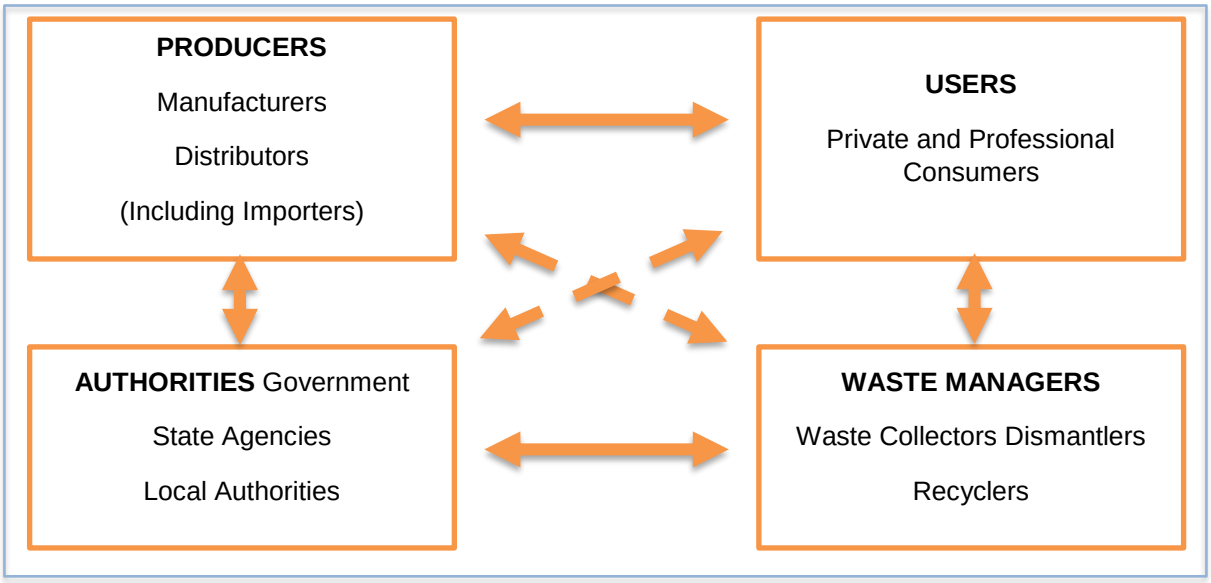

Figure 4 The four groups of key actors in an EPR system. (Lindhqvist, T. (2000)

4.1 Producers

The primary objective of EPR is shifting the financial burden from the municipality and taxpayer to producers in line with the PPP. In consequence, the EPR policy faces strong resistance from producers in Viet Nam. Producers have been successful in lobbying for non-compulsory targets for the take-back requirement and shifting their responsibilities to customers, as mentioned earlier. While the leadership of the producer is critical to the success of the EPR policy, the producers may try to deviate from their full responsibilities, which leads to very modest impacts through the upstream and downstream product chains.

Financial incentives, level of convenience and level of information and awareness are the decisive factors for the collection results.[72] The current EPR regulations require producers to apply the appropriate policies, while the communication to consumers directs them to return their discarded products at collection points.[73] However, there is limited outreach information on EPR, how it works and the producer's responsibilities, actually reaching the public. Issues such as only one collection point nationwide, or the request to contact in advance has demotivated the customers in returning the post-used products. Despite 113 Customer Care Centres in all 63 provinces across Viet Nam, Samsung Viet Nam assigns only three of them as collection points of discarded products in Ha Noi, Da Nang, and Ho Chi Minh City. The company even reminds customers that they do not apply any incentive policy to exchange the products in their official notice.[74] As an example of one of the best cases of EPR implementation, VRP informs customers about its program by Facebook, website, and hotline in the

[72] Lindhqvist, T. (2000). *Extended Producer Responsibility in Cleaner Production: Policy Principle to Promote Environmental Improvements of Product Systems*. Doctoral Dissertation. International Institute of Industrial Environmental Economics, Lund University.
[73] *Quyết Định Quy Định Về Thu Hồi, Xử Lý Sản Phẩm Thải Bỏ Do Thủ Tướng Chính Phủ Ban Hành* (16/2015/QĐ-TTg; 22 May 2015). Article 5.6.
[74] Samsung Viet Nam. Available at https://www.samsung.com/vn/support/supportServiceCenter/ (access on 12 August 2020).

easiest ways. They have also increased convenience by a collect-at-home service, which unfortunately applies on weekends and in Hanoi and Ho Chi Minh City only.[75]

One remarkable change in producers' behavior is the establishment of Packaging Recycling Organization Viet Nam (PRO Viet Nam) on 21 June 2019. PRO Viet Nam is the first coalition founded by nine leading food and beverage companies both foreign and Vietnamese voluntarily working together through three pillars of activities: (i) educating consumers on recycling awareness and segregation; (ii) strengthening the existing packaging collection ecosystem; and (iii) supporting recycling programs of processors and recyclers. [76] PRO Viet Nam can be considered as a voluntary PRO model in Viet Nam.

This establishment is an amplified result of their international commitment to tackle their plastic waste globally by the end of 2025 or 2030.[77] Therefore, EPR is strongly recommended by their consultants in tackling plastic waste in Viet Nam.[78] There are some researches on the collection and recycling of plastic waste, measurements in consumer behaviour and attitude towards recycling conducted by the members of PRO Viet Nam. The Proof of Concept for organizing the collection and recycling of plastic waste was also discussed in collaboration with Veolia. PRO Viet Nam has also signed a Memorandum of Understanding (MoU) with MONRE and IUCN Viet Nam to collaborate in different activities, in which EPR is central. PRO Viet Nam is stepping closer to the leadership role of the producers expected in EPR schemes.

The establishment on 19 February 2020 of the Public-Private Collaboration (PPC) between MONRE and Dow Vietnam, SCG, and Unilever Vietnam to drive a circular economy for plastics waste management, is another example for behaviour change of producers in Viet Nam that resulted from the domino impacts from the global trend of plastic movement.[79] Although PPC focuses only indirectly on EPR, it related to implementation in many aspects of plastic waste reduction and segregation at source, plastic recycling strengthening and promotes the related policy dialogues. Both PRO Viet Nam's members and PPC's members are proactive partners in the EPR National Platform.

4.2 The authorities

The current EPR scheme anchors the responsibility of MONRE and provincial People's Committees in guiding, raising awareness, supervising, inspecting and applying the sanctions for violations.[80] The main responsibility belongs to MONRE, the institution in charge of developing the guidance on implementation, technical environmental requirements for collection points, storage, and transportation of discarded products. To manage and monitor the EPR implementation, the Vietnam Environment Administration (VEA) under the MONRE is the agency in charge of developing the database that covers (i) List of obligated manufacturers and importers; (ii) List of collection points and treatment facilities; (iii)

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[75] For more information, visit https://www.vietnamrecycles.com/en/for-households (accessed on 10 Jan 2021).
[76] Nine founding members (in alphabetical order) include: Coca-Cola Vietnam, FrieslandCampina, La Vie, Nestlé Vietnam, NutiFood, Suntory PepsiCo Vietnam, Tetra Pak Vietnam, TH Group và URC Vietnam. Available at https://www.nestle-waters.com/sites/g/files/pydnoa611/files/asset-library/documents/press%20releases/2019/pro-vietnam-press-release-june-21.pdf
[77] Author's conclusion based on the discussions with Mr. Fausto Tazzi – Business Executive Officer of La Vie LLC - Nestle' Waters Vietnam, Vice Chairman of PRO Viet Nam and Mr. Pham Phu Ngoc Trai – Chairman of PRO Viet Nam. For more information on Global Commitment of founding members, see Ellen MacArthur Foundation and UN Environment Programme (2019). *New Plastics Economy Global Commitment. 2019 Progress Report*. Available at https://www.ellenmacarthurfoundation.org/assets/downloads/Global-Commitment-2019-Progress-Report.pdf (accessed on 10 January 2021).
[78] Based on information in "Driving Substantial Change in Pet Recycling In Vietnam" report by GA Circular for La Vie on 8 June 2018; and "Plastic policy in South-East Asia: an assessment of Indonesia, Malaysia, Thailand, and Vietnam" by An Economist Intelligence Unit research programme for Suntory Beverage and Food Asia on 31 March 2020.
[79] For more information, see https://vn.dow.com/en-us/news/ministry-of-natural-resources-and-environment-to-drive-a-circular-economy.html (Accessed on 10 January 2021).
[80] *Quyết Định Quy Định Về Thu Hồi, Xử Lý Sản Phẩm Thải Bỏ Do Thủ Tướng Chính Phủ Ban Hành* (16/2015/QĐ-TTg; 22 May 2015). Article 9 and 10.

The annual quantity of products sold in the Vietnamese market; (iv) The annual result of take-back and treatment in Viet Nam; (v) The annual result of take-back and export for treatment and recycling.[81] Therefore the above information for points (ii), (iii) and (iv) has to be reported by the producers before 31 January of the following year according to the report template.[82] Refusal of receiving their own discarded products which have been sold on the market or collected and transferred by other manufacturers can result in a fine up to VND 80 million; the producers have to report to VEA on the cases of refusal and their reasons.[83] The list of collection points conforming to technical environmental requirements based on field surveys of VEA in collaboration with the Department of Natural Resources and Environment (DONRE) has to be published on VEA website.[84] However, none of these information and databases are actually published by VEA. The provincial People's Committees have responsibilities in communication, awareness raising, support for producers to establish collection points, inspection of their implementation and handling of the violation, if any. In the case of VRP, there are 7 collection points in a total of 10 locations in the local People's Committees, and one in Hanoi Environment Protection Agency.[85]

It should be noted that solid waste management in Viet Nam is fragmented into different agencies, with MOC and MARD playing key roles in domestic solid waste management in urban and rural areas. Therefore, the current EPR policy that was developed with a strong focus on MONRE, does not fully cover all competencies in managing solid waste and has to deal with an insufficient database. Although the EPR concept was introduced in Viet Nam in 2005, there is very little research on EPR and its implementation available in Viet Nam. In most cases, EPR has been developed in the past without a thorough understanding of its pros and cons, the related analysis on the local context, value chains, etc.

A new leverage point kicked-off from early 2019, when MONRE became a focal point and unified the solid waste management nationwide as assigned in Resolution No. 09/NQ-CP.[86] An agenda for implementing the Resolution has been developed with serial analysis, workshops, dialogues, and field visits on solid waste management organized by MONRE during 2019.[87] The annual National Environmental Status Report published by MONRE also focused on domestic solid waste management.[88] The Circular Economy or "turning waste into resources" strategy, accelerating, has attracted more attention from the authorities to achieve the dual goal of dealing with waste and generating economic opportunities. Economic instruments in environmental management have gained special attention from MONRE's Minister Tran Hong Ha, who directly assigned ISPONRE to review and repurpose the new regulations in the draft LEP 2014 revision.[89] The internal needs for solid waste management combined with the external global trend of combating marine plastic waste has created the "golden chance" for developing EPR in Viet Nam.

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[81] *Thông tư quy định về thu hồi, xử lý sản phẩm thải bỏ do Bộ trưởng Bộ Tài nguyên và Môi trường ban hành* (34/2017/TT-BTNMT; 04/10/2017). Article 8.

[82] *Quyết Định Quy Định Về Thu Hồi, Xử Lý Sản Phẩm Thải Bỏ Do Thủ Tướng Chính Phủ Ban Hành* (16/2015/QĐ-TTg; 22 May 2015). Article 5.10; *Thông tư quy định về thu hồi, xử lý sản phẩm thải bỏ do Bộ trưởng Bộ Tài nguyên và Môi trường ban hành* (34/2017/TT-BTNMT; 04/10/2017). Report template in Annex IV.

[83] Nghị định quy định về xử phạt vi phạm hành chính trong lĩnh vực bảo vệ môi trường (155/2016/NĐ-CP; 18/11/2016). Article 31.4.d.

[84] Ibid. Article 9.

[85] See the list of collection points of VRP at https://www.vietnamrecycles.com/en/ (accessed on 10 January 2021).

[86] Phuong, N.H. (2020). *The legal, policy and institutional frameworks governing marine plastics in Viet Nam*. IUCN, Bonn, Germany.

[87] For more information on implementing the Resolution No. 09/NQ-CP, see http://chuyentrangsk.monre.gov.vn/hntqquanlychatthairan2020/tin-tuc/cap-nhat-tin-tuc-trien-khai-nghi-quyet-09-nq_cp (accessed on 10 January 2021).

[88] MONRE: Announcement of National Environmental Status Report 2019. Available at http://dwrm.gov.vn/index.php?language=vi&nv=news&op=Hoat-dong-cua-Cuc-Tin-lien-quan/Bo-Tai-nguyen-va-Moi-truong-Cong-bo-Bao-cao-Hien-trang-moi-truong-Quoc-gia-nam-2019-9536.

[89] Interview of Mr. Nguyen Hoang Nam – environmental economic expert in ISPONRE.

Taking advantage of this wave, the Department of Legal Affairs (DLA) under MONRE led the reintroduction of the full EPR concept in LEP 2020. Learning the lesson of the current EPR scheme, DLA has engaged the producers from the very beginning of concept shaping. The roadmap of developing the EPR in Viet Nam (Annex 3) marks the milestones of developing the EPR in Viet Nam synthesized by the author, who has been participating in different roles in almost all steps of the new EPR development from its beginning since April 2019.

The EPR National Platform is a unique voluntary-based mechanism for multi-stakeholder participation to increase the dialogues and synergize the resources for developing the EPR schemes in Viet Nam. This platform was founded by MONRE on 16 March 2020 as a Working Group with the participation of businesses, industries associations, commercial chambers, NGOs, and related governmental agencies but mostly in packaging groups.[90] As a tentative plan, the EPR National Platform will also expand into sub-groups respectively divided into stakeholders dealing with : Batteries, WEEEs, Tyres, Oils, ELVs, Packaging, and Recyclers. IUCN Viet Nam currently acts as a coordinator to facilitate this platform.

In Viet Nam, the provincial People's Committees have a crucial role in implementing the solid waste management. They are responsible for the collection, sorting and treatment of the waste generated in their local areas. In most cases, the solid waste management services providers, both for collection and treatment, often are state-owned enterprises (SOEs) that belong directly to the People's Committees.[91] Regardless of which EPR responsibility model is selected, EPR policies generally place new and different responsibilities on local authorities – particularly with respect to the increased need to co-ordinate their activities with the industry, especially with PROs. As such, both People's Committees and PROs will play more or less a similar role in coordinating solid waste management; and this needs to be well defined under EPR schemes to avoid overlap and potential conflicts. The current EPR system does not lead to PRO establishment, the industries self-organize their own collection system rather than collaborating with local authorities and local waste management companies. In the new EPR development, the EPR National Platform's members and related dialogues on EPR development mostly anchor at the national level that has not yet been transmitted to the local authorities. The PRO Viet Nam and PPC have started exploring the opportunities in collaborating with URENCO and CITENCO – two of the biggest SOEs of solid waste management in Ha Noi and Ho Chi Minh City – with communication and a pilot project on waste segregation.

4.3 Users

Users can be private and professional consumers. An important distinction is that, in the context of EPR, a product that is used only by professional users is more easily controlled by legislative restrictions and post-used management than a product that is used mainly by private consumers. This difference emphasises that the role of information and awareness raising for private consumers is critical to the success of an EPR system.

In theory, the EPR approach is the way to internalise part of the environmentally related costs in the price of the products and then consumers are given the appropriate price signals. The purchasing decision of consumers in that sense decides what products are to be manufactured or it sends a signal back to producers. These feedback loops, therefore, are the key to product and product system improvement. A successful EPR system must incorporate built-in feedback loops from all the relevant actors in the life cycle in order for this information to form the basis for the new, improved products and

[90] Decision on establishment of EPR Working Group (641/QD-BTNMT; 16 March 2020). This Decision revised by Decision No. 1216/QD-BTNMT dated 1 June 2020 that opens the scope of the WG and members.
[91] For more information, see Phuong, N.H. (2020). *The legal, policy and institutional frameworks governing marine plastics in Viet Nam*. IUCN, Bonn, Germany.

product systems.[92] However, in real life, the opportunities to initiate or influence totally new products or redesign the existing products are very limited, especially for the private consumers.

Instead of that, private consumers play a greater role in waste segregation at source and return the post-used products to the collection points that contribute to the success of an EPR system. The current EPR scheme requires the responsibility of consumers in transferring their discarded products in the following forms: (i) self-carrying to the collection points; (ii) handover to collection organizations or individuals who will transfer them to the collection points; (iii) handover to the appropriate licensed waste transportation and treatment facilities; (iv) handover to other organizations or individuals specializing in repair, maintenance and replacement of products who will be as responsible as the former owners.[93]

There are three factors deciding the collection results including:[94]

- *Financial incentives*: that is, refunds or redemptions that are given to the person that is handing the waste product to the designated collection points.
- *Level of convenience*: that is, how much of an effort must be taken to dispose of the waste product at the designated collection system.
- *Level of information and awareness*: that is, how well known the system is and how important the public finds it to comply with the intended system. Another side of this factor is whether the system is understandable for the ordinary person or not.

The informal sectors (known as Dong Nat in Viet Namese) meet all these factors, which explains their most effective roles in recyclable plastic waste management in Viet Nam. Directly incentivized by cash, together with a convenient service at home (which none of the current formal services can provide) the informal sector significantly influences the behaviour in waste segregation.[95] In contrast, as in the above point on non-targeted take-back requirements, the producers remain in inconvenience-led systems to seemingly waive their responsibilities in current EPR schemes. VRP is exceptional, and meets two factors including level of convenience and information and awareness to customers. This can explain the success level of their take-back program. From 2016 to 2020, VRP has collected nearly 80 tonnes of e-waste, therein, 30 tonnes collected only in 2020. There are 16.5 tonnes collected from households and collection points, while 13.5 tonnes have been collected from 16 businesses. Private consumers are more and more aware of their responsibility and the value of returning their discarded products.

In the draft EPR regulations guiding the LEP 2020, producers have responsibilities to supply the information not only for consumers but also for recyclers. [96] MONRE also developed the EPR National Symbol that must be put on all products and packaging under the EPR schemes in Viet Nam to make sure that the same signals on EPR schemes are given to consumers.[97] As a voluntary EPR scheme, PRO Viet Nam also required/ requires to print their logo on their members' packaging and start the awareness raising programs on waste segregation.

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[92] Lindhqvist, T. (2000). *Extended Producer Responsibility in Cleaner Production: Policy Principle to Promote Environmental Improvements of Product Systems*. Doctoral Dissertation. International Institute of Industrial Environmental Economics, Lund University.

[93] *Quyết Định Quy Định Về Thu Hồi, Xử Lý Sản Phẩm Thải Bỏ Do Thủ Tướng Chính Phủ Ban Hành* (16/2015/QĐ-TTg; 22 May 2015). Article 7.1.

[94] Lindhqvist, T. (2000). *Extended Producer Responsibility in Cleaner Production: Policy Principle to Promote Environmental Improvements of Product Systems*. Doctoral Dissertation. International Institute of Industrial Environmental Economics, Lund University.

[95] Phuong, N.H. (2020). *The legal, policy and institutional frameworks governing marine plastics in Viet Nam*. IUCN, Bonn, Germany.

[96] *Draft Decree on Guiding some articles of Law on Environmental Protection 2020*. EPR Chapter. Article 16.

[97] Ibid. Article 17.

4.4 Waste managers

There are many actors, both formal and informal, participating in waste management in Viet Nam. They can play different roles in collecting the discarded products, sorting, dismantling, recycling, and treating the collected products. Based on the material of discarded products, the recycling group can involve a number of material processors such as wastepaper plants, oil re-refining plants, and metal re-melting plants, as well as those involved in the remanufacturing and refurbishment of products. The actors in waste management are very different based on the type of waste, waste management, the value of waste, and its material value chains.

In Viet Nam, the informal sectors have created a symbiotic relationship with the formal sectors that allows them to participate in almost all phases of solid waste management. The formal-informal relationship, combined with the close relationship between the formal sectors/SOEs and local authorities mentioned in section 4.2, has created a steady win-win relationship amongst them that can challenge the new actors. The ReForm – a circular economy-focused project funded by MARPLASTICCS - has faced challenges in working with local waste management despite only targeting low-value, generally unrecycled, plastic waste. This case implies the potential conflicts between the industries or PROs in EPR schemes and local solid waste management if the benefit-sharing from waste value is not appropriate. The EPR National Platform has members from the plastic recyclers but they do not engage with the local solid waste management yet.

4.5 The Informal sector

Like other lower-middle-income countries, Viet Nam lacks a well-established waste management system and complements it by the operation of the informal sector, which earns a living by engaging in every stage of waste management. The role of the informal sector in solid waste management has been highlighted in a previous scoping report prepared for Viet Nam.[98] This context is another motivation for Viet Nam to develop the EPR policies. However, introducing the EPR system can interfere with the livelihoods of the informal sector, resulting in possible competition for valuable materials. There is no competition between the producers and the informal sector in the current EPR scheme due to the transferred responsibility by some producers. By continuing with inconvenient systems for returning discarded products, the producers indirectly provide support for the informal sectors in their collecting and recycling activities of discarded products. However, the new EPR scheme and the establishment of PROs who also meet the targets, can potentially spark conflicts between these organizations and the informal sector, especially with the informal recyclers on the demand of valuable waste. Due to their informal status, the informal sectors have raised their concerns also, supported by NGOs and academics as mentioned below.

4.6 Civil society and academics

In the wake of the global trend on plastic waste and its funding, there are a lot of NGOs and groups working on plastic waste issues in Viet Nam. However, some of them are interested in the EPR system and have EPR related activities. All are members of the EPR National Platform including the EU Rethink Plastic project led by Expertise France in Viet Nam, WWF Viet Nam and IUCN Viet Nam. As mentioned earlier, the EPR National Platform was established by MONRE and is led by DLA to increase the dialogues and synergize the resources for developing EPR schemes in Viet Nam.

All these organizations contribute in line with the DLA's agenda. Expertise France published the Policy brief on EPR in Packaging, is conducting the ongoing research on informal and formal sectors in domestic solid waste management in 5 provinces of Viet Nam, and has translated the EPR Toolbox into Vietnamese. WWF Viet Nam is assessing the implementation of an EPR system for packaging waste in Viet Nam, providing expert support to DLA/MONRE in the development of operational regulations of the EPR National Platform, developing the EPR regulations guiding the LEP 2020, and conducting the

[98] Phuong, N.H. (2020). *The legal, policy and institutional frameworks governing marine plastics in Viet Nam*. IUCN, Bonn, Germany.

on-going research on informal sectors as well as tentative research on EPR with small and medium enterprises (SMEs). IUCN is the facilitator for operation of the EPR National Platform and provides experts for the four technical groups of Policy and Strategy: Technology, Economy, Administration and out-source Communications. It is worth mentioning that the IUCN/MarPlasticcs National Advisory Body (NAB) meetings also contribute to build engagement and strengthen dialogues amongst DLA and businesses in combating plastic waste. The MoU between MONRE and PRO Viet Nam, where EPR is a central topic, can be considered a result of the first NAB meeting. The key findings in the scoping report for IUCN/MarPlasticcs were shared in the 1st EPR workshop organized by DLA in April 2019 as a foundation context for EPR concept discussion in Viet Nam.

5 Outcome level

As analyzed above, the current EPR schemes with “a halfway approach” did not achieve the primary objectives of MONRE on combating pollution in informal recycling in the craft villages. It also created a misunderstanding on EPR and how it works in Viet Nam that resulted in a negative perception on the effectiveness of the policy instrument in dealing with the burden of waste management. However, the lesson learned from the current EPR schemes is a foundation for developing the new EPR scheme. Although the new EPR scheme is not yet in place, based on the signs of behaviour change analysed in section 4, there are numerous possibilities in terms of environmental outcomes for the EPR scheme in Viet Nam. These can be both positive and negative outcomes. This section comments on some of the potential outcomes of implementing EPR schemes that can contribute to plastic waste management in Viet Nam.

5.1 Positive outcomes

5.1.1 Increase in the collection and recycling rate

Recycling Responsibilities require the producers to meet the target on the recycling of the products and packaging they put on the market. In contrast with the current EPR schemes that do not specify a target, the new EPR scheme clearly regulates the target requirements under LEP 2020, and will be made specific in the draft Decree guiding the LEP. The EPR National Platform expert group is working to propose and quantify these targets.

5.1.2 Reduce pollution within informal recycling sector

The LEP 2020 requires producers to recycle their discarded products and packaging according to the standards set up by MONRE. The recycling results also have to be audited before being reported to MONRE.

5.1.3 Shared financial burden on waste management

There are two ways to share the financial burden:

- The Recycling Responsibility indirect share in reducing the budget spend for managing the waste of municipalities respectively with the amount of waste collected by the producers.
- The Treatment Responsibility direct share in financial contributions from the producers to VEPF that will be used to support waste management activities in return.

5.1.4 Boost the development of environment related industries

To meet the recycling target under the EPR schemes, the producers have to pay for organizing the collection, recycling, audit, awareness raising, etc. This would mean that implementation of EPR schemes would create the financial flow running into waste management services and recycling industries, and would further generate economic opportunities for the related actors.

5.1.5 *Impacts on consumers' behaviour*

There are two types of messages that will be sent to consumers that can impact their behaviour:

- The EPR approach is a way to internalise part of the environmental costs in the price of the products, that can impact the purchasing decisions of consumers. With the ADF policy, producers tend to transfer this cost directly to the price of the products, sending price signals to the customers. In Viet Nam, ADF applies to products that are not encouraged for consumption due to their negative impacts on the environment. There are alternative products available on the market, so EPR also indirectly shifts consumer trends towards more environmentally friendly purchases and consumption.
- The EPR approach requires collecting and recycling some specific products and packaging that need to be segregated from other non-EPR waste. To implement this, producers are tasked with organizing public education and awareness campaigns to take back their discarded products, contributing at the same time to waste segregation at source by consumers. The EPR can be complementary to the municipality efforts for changing behaviours and better solid waste management in Viet Nam.

5.2 Negative outcomes

5.2.1 *Potential conflicts in management of valuable waste streams*

By setting the target for recycling in the EPR scheme, the demand for discarded products will be increasing accordingly with the increasing of the targets. Therefore, EPR schemes potentially lead to conflicts between the producers and the informal sector that may compete for valuable materials. The integration of informal sectors will be a must-have if the Government of Viet Nam would like to achieve both the environmental objectives under EPR policy and secure the livelihoods of the informal sector. The success of the EPR scheme in Viet Nam will very much depend on a smooth integration in this sense.

5.2.2 *Potential increase in prices*

With the EPR approach, the environment related costs such as end-of-life stage management, redesign, and other improvements can be internalised in the price of the product. Besides the cost of operation of the EPR system, in Viet Nam, the discarded products and packaging are bought by the Dong Nat, due to their recyclable value. Therefore, if the producers aim for take-back of their post-used products, they would need equivalent financial incentives for consumers or a buy-back system similar to the one implemented by Dong Nat. These incentives and buy-back payments would possibly be added to the final cost of products. Increasing the retail price is a possibility that can impact consumers, especially people with vulnerable economic situations.

5.2.3 *Potential increase of illegally imported wastes*

Currently, the formal sector mostly uses imported waste for their recycling, while domestic waste is collected in craft villages.[99] The craft villages also use the imported waste for their recycling.[100] In EPR schemes, the flow of domestic waste can be changed and that can trigger the demand for other waste sources from the informal recyclers. Insufficiencies may then be fed by imported sources, regardless of

[99] IUCN-EA-QUANTIS (2020). *National Guidance for plastic pollution hotspotting and shaping action*. Country report Vietnam.
[100] Phuong, N.H. (2020). *The legal, policy and institutional frameworks governing marine plastics in Viet Nam*. IUCN, Bonn, Germany.

their legality. The increase of illegally imported sources will not only put pressure on the enforcement system but also the free-riders control in EPR schemes.

5.2.4 Potential frauds due to insufficient data

Data insufficiency or the lack of reliable and comparable data available among authorities is one of the challenges to achieve an evidence-based holistic approach to solid waste management in Viet Nam.[101] This situation provides an environment for the development of fraud in EPR schemes. Strong databases are a key instrument to manage and monitor the producers' compliance with their obligations and can also help control the free-riders that weaken the EPR system and create unfair competition between the producers. Therefore, the success of EPR schemes in Viet Nam will be highly influenced by whether or not there is a proper database management in place.

6 Conclusion and recommendations

The lessons learnt from 15 years of EPR development in Viet Nam and international experience have helped identify the challenges for designing an effective EPR system in developing countries. Extended Producer Responsibility emphasizes that the leadership of the producer will decide the success of EPR policies. The recent change of behaviours and attitudes of producers, as well as the determination of the authorities, is opening up a new and promising future for EPR in Viet Nam. Inter alia, the ERP development in Viet Nam still needs more attention to some of the following recommendations:

6.1 Clearinghouse establishment

As the PRO can be seen as the heart of an EPR operations system, the clearinghouse can be seen as the heart of an EPR management system. In almost all cases, the existence of competition among PROs raises the need of establishing neutral bodies that can help to co-ordinate the work of PROs, and that is often known as a 'clearinghouse'. Clearinghouses can be either a separate non-profit organization or a government agency that helps rectify undesirable incentives generated by competition among PROs.[102]

The tasks of the clearinghouse may include:[103]

- Centralizing and aggregating data reported and inspection of data quality and completeness ('Register' role);
- Verifying compliance (free-riders identification), in connection with public authorities in charge of enforcement;
- Ensuring that all competing PROs work on a level playing field by verifying that all requirements are met;
- Calculating market shares and ensuring a fair determination of the PRO's individual objectives.

The clearinghouse is critically important to Viet Nam due to the fragmented data amongst the related authorities. Additionally, Viet Nam's economy is dominated by the micro and small enterprises, which requires a greater effort to manage the free-riders. In a total of 610,637 acting enterprises nationwide until 31 December 2018, 62.6% were microenterprises, 31.1% were small enterprises, 35% were medium enterprises and only 2.8% were large enterprises.[104]

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[101] Ibid.

[102] OECD. *Extended Producer Responsibility: Updated Guidance for Efficient Waste Management*. *OECD Publishing* 54, (OECD, 2016).

[103] Deloitte. Development of Guidance on Extended Producer Responsibility (EPR). *Eur. Comm. – DG Environ. No* 1–227 (2014).

[104] Ministry of Planning and Investment (2020). 2020 Vietnamese Enterprises White Book. Available at: https://www.gso.gov.vn/wp-content/uploads/2020/04/Ruot-sach-trang-2020.pdf (accessed on 10 January 2021).

Therefore, a clearinghouse will be the best fit as a national public agency under the MONRE to ensure accessibility to the data of relevant authorities and data reported by PROs and producers. Due to its important role, the clearinghouse needs stable resources for operation that can only be secured by way of public resources. The role and operation of the clearinghouse that would manage the EPR National Registration Portal can be seen as proposed in Figure 5.

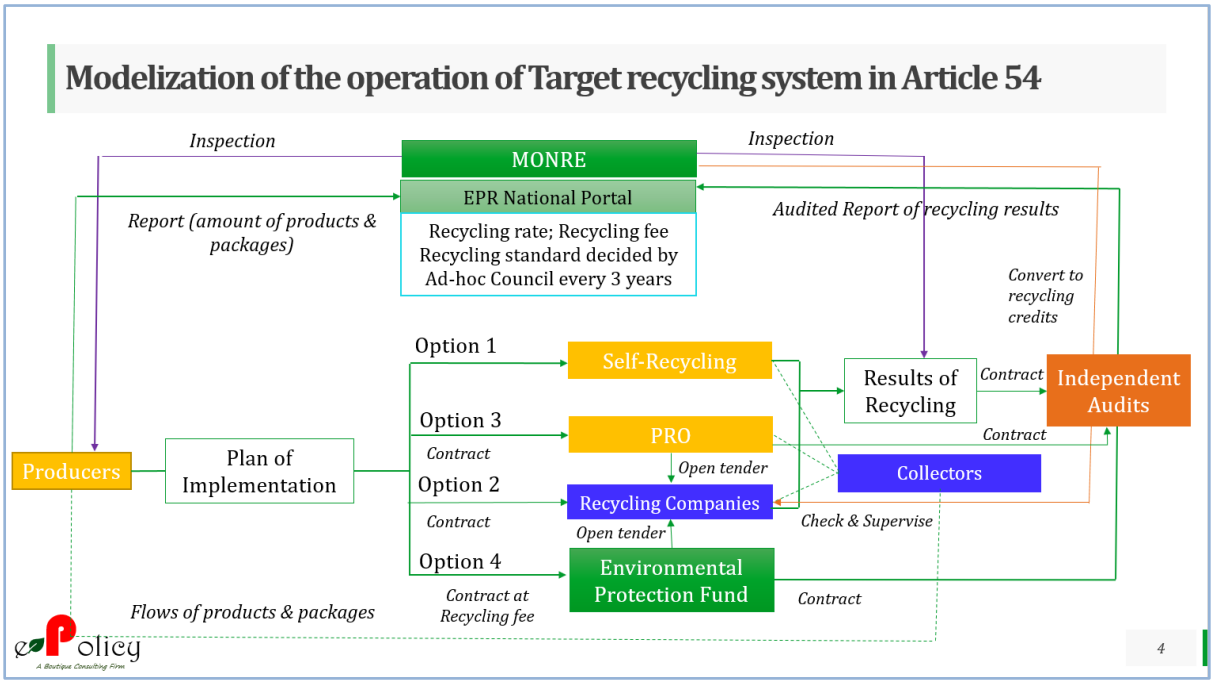

Figure 5: Proposed establishment of the Clearinghouse in EPR schemes in Viet Nam

6.2 Integration of informal sectors in EPR schemes

There is concrete evidence that informal systems in middle-income countries collect more materials than formal recycling systems. In circumstances where both exist side by side, the informal system may collect up to 30% of the total waste generated compared with 13% by the formal system.[105] Similarly, the dominance of the informal sectors in the value chain of valuable waste points to their effectiveness in Viet Nam. As mentioned earlier, the informal sectors have both positive and negative impacts, but integrating them in EPR schemes will decide the success of EPR in Viet Nam. It should be taken into account that informal sectors are a major part of the workforce. The first report on Informal Labour of the General Statistics Office of Vietnam, in collaboration with the ILO in 2016, reveals that 18 million people, accounting for 78.6% of all labour, work informally.[106] Therefore, it will be valuable to minimize their negative impacts and amplify their positive impacts to improve the efficiency of waste management and recycling.

A variety of approaches, that are not exclusive but complementary to each other, have been pursued in other contexts to integrate informal sectors, including:[107]

- Welfare-based interventions, also sometimes referred to as social integration.
- Rights-based interventions, including labour organisations.

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[105] OECD. *Extended Producer Responsibility: Updated Guidance for Efficient Waste Management*. *OECD Publishing* 54, (OECD, 2016).

[106] ILO/ Tổng cục Thống Kê Việt Nam (2016). *Báo cáo Lao động phi chính thức 2016*. Available at: https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/---ilo-hanoi/documents/publication/wcms_638334.pdf

[107] OECD. *Extended Producer Responsibility: Updated Guidance for Efficient Waste Management*. *OECD Publishing* 54, (OECD, 2016).

- Informal Sector Integration, sometimes also referred to as inclusive recycling.
- Formalisation by registration and following laws and rules.
- Professionalisation and access to financing.
- B2B (business to business) value chain activities.

The integrating of informal sectors into EPR schemes will be a long process that will require patience and the development of various policies. Before applying any intervention on a large scale or by hard law, pilot efforts are needed to identify ways in which informal workers can contribute to waste management systems.

6.3 Collaboration in dealing with orphan products and historical products

One of the biggest challenges for setting up the EPR system is dealing with historical waste (the products sold before the date of effect of the EPR policy) that will link to retroactive responsibility of the producers. Due to these being long-lived products, in some case, the producers of historical products no longer exist, and their products become orphan products. Both historical waste and orphan products can be a burden for EPR schemes. Defining who will bear financial responsibility for handling these products has sparked a debate. Producers often refuse the disadvantages of retroactive responsibility for them.[108]

In the EU, the European Parliament Directive on WEEE set the responsibility for historical products as follows:

- For the WEEE from private households: the cost "shall be borne by one or more systems to which all producers existing on the market when the respective costs occur contribute proportionately, e.g. in proportion to their respective share of the market by type of equipment."[109]
- For the WEEE from users other than private households:
    1. …"For historical waste being replaced by new equivalent products or by new products fulfilling the same function, *the financing of the costs shall be provided for by producers of those products when supplying them*. Member States may, *as an alternative*, provide that *users* other than private households also be made, *partly or totally, responsible for this financing*.

       For *other historical waste*, the financing of the costs shall be provided for by the *users* other than private households.

    2. Producers and users other than private households may, without prejudice to this Directive, conclude agreements stipulating other financing methods."[110]

These EU regulations are a good example for Viet Nam. However, the producers in Viet Nam should be made aware and collaborate for the development of this solution.

6.4 Joining forces between EPR and other environmental policies

Although an advanced approach, EPR policy is not the overall solution for all problems of solid waste management in Viet Nam. EPR schemes can unintentionally create greater gaps

[108] OECD Joint Workshop on Extended Producer Responsibility and Waste Minimisation Policy in Support of Environmental Sustainability. Paris, 4-7 May 1999. Working Party on Pollution Prevention and Control. PART 1: Extended Producer Responsibility.

[109] Directive of the European Parliament and of the Council on waste electrical and electronic equipment (WEEE) (2012/19/EU; 4 July 2012). Article 12.4. Available at: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32012L0019

[110] Ibid. Article 13.1 and Article 13.2.

between urban and rural areas in accessing services in both solid waste management and EPR systems. Producers will prioritise their investment in wherever their waste concentration and the waste infrastructure are in place to optimize their cost and benefits. These are often urban areas, while the top leakages come from the rural areas that are not covered by the domestic solid waste management systems. The Treatment Responsibility in the EPR scheme is designed to complement and fill these gaps by redistribution of its finance collected from producers for rural areas. However, the public investment for waste infrastructure development should be more focused on rural areas rather than urban areas as a way to also contribute to filling the gaps. Improving the waste management infrastructure also helps to expand the coverage of EPR schemes and consequently increase the target for recycling.

A joint force of EPR schemes and new Pay-As-You-Throw policies will also help to synergize the efforts on waste segregation and waste minimisation in Viet Nam.

6.5 Capacity building

Although the EPR concept has existed in Viet Nam for 15 years, the EPR experts and EPR related researches are still limited. The development of the EPR regulations guiding LEP 2020 and running the EPR National Platform depends a lot on outsourced experts supported by organizations such as IUCN Viet Nam and WWF Viet Nam. This is not sustainable for further operation of the EPR schemes, monitoring and dealing with arising issues during its operations. "An *EPR scheme can only run with multi-stakeholder collaboration. Therefore, EPR will only be a law regardless of how much effort DLA's team is putting on developing the EPR regulations. DLA should engage more other agencies within MONRE and related ministries to let them understand what the EPR is and how-it-works*."[111] Therefore, together with EPR policies development, MONRE needs a roadmap to build the capacity for themselves, related agencies and then for local authorities and businesses, and also provide more research on different aspects of EPR that can put in the context to take maximum advantage of the EPR policies in Viet Nam.

6.6 Transparency, open dialogue and trust building

The failure of the current EPR schemes reveals a lack of trust between the producers and authorities in developing EPR in Viet Nam. On the one hand, the regulatory authorities lack knowledge on the products and their value chain in building the policies, while on the other hand, producers sometimes diverge from implementing their responsibilities. Transparency, open-mindness and the willingness for public dialogues with participation and observation by third party environmental NGOs are the best way to build trust and consensus for better environmental policies like EPR in Viet Nam.

[111] Interview of Mr. Kim In Hwan – Former Vice Minister of Korean Ministry of Environment, Policy Adviser in MONRE in Viet Nam.

Annex I: Potential items in recycling responsibility

No	Group	Sub-group	Description
1	ACCUMULATOR AND BATTERY		Accumulators of all types
2			Batteries of all types
3	ELECTRIC AND ELECTRONIC EQUIPMENT	Lamps	Compact lights
4			Fluorescent lights
5		Information and Communication Technology (ICT) Equipment	Desktop or laptops; computer monitors; CPU (micro processor)
6			Servers
7			Routers
8			Modems
9			Wireless Access Points
10			Set-top boxes
11			Switches
12			Network Hubs
13			DVD, VCD, CD recorders and other tape or disc players
14			Cell phones; tablet computers
15			Photocopiers
16			Fax machines; Scanners
17			Photo cameras; movie cameras
18		Electronic Equipment	Televisions
19			Refrigerators
20			Air conditioners
21			Washing Machines
22			Dryers
23			Electric water purifiers
24			Electric ovens, Microwaves, Electric stoves
25			Dishwashing machines
26			Air purifiers, humidifiers
27			Vacuum cleaners, deodorizers
28			Electric irons, electric fans
29			Blenders

30		**Solar photovoltaic panels**	Solar photovoltaic panels
31	**OIL AND LUBRICANTS**		Oils of all kinds
32			Lubricants of all kinds
33	**TYRE**		Inner tubes of all kinds
34			Tyres of all kinds
35	**END-OF-LIFE VEHICLES**		Automobiles of all kinds
36			Motorcycles of all kinds
37			Power Assisted Bicycles
38			Electric Mobility Scooters, Smart balance Wheel
39	**PACKAGING**	‘Packaging’ shall mean all products used for the containment, protection, handling, delivery and presentation of goods, from raw materials to processed goods, from the producer to the user or the consumer.	Paper Packaging
40			Glass packaging
41			Metal packaging
42			Plastic packaging
43			Packaging made of the above ingredients mixed or combined with each other (such as UBC box)
44			Exception: Packaging containing plant protection products, pesticides, paints, adhesives and toxic chemicals in Annex II.

Annex II: Potential items in treatment responsibility

No	Products and Packaging
1	Packaging contains plant protection products, pesticides, paints, adhesives and toxic chemicals;
2	Disposed diapers, sanitary napkins, wet tissues
3	Chewing gum
4	Cigarettes
5	Products and packaging that are manufactured or imported and using plastic as a raw material include:
5.1	*Single-use knives, cutlery, spoons, forks, chopsticks, cups, food containers.*
5.2	*Straws, Balloons*
5.3	*Clothes using fibre products*
5.4	*Leather, bags, and shoes products*
5.5	*Furniture products*
5.6	*Jewelry and accessories*
5.7	*Musical instruments and Sports products*
5.8	*Toys*

Annex III: The roadmap of developing the EPR in Viet Nam

Time	Milestone	Notes
25-27-Apr-19	Scientific workshop "Increasing resources for waste management and recycling through the participation of the private sector in Vietnam - implementation of waste collection and treatment mechanism" in Hai Phong	EPR concept has been discussed from the case study of Taiwan and Korea – 2 successful Asian models.
21-Jun-19	Establishment of Vietnam Packaging Recycling Coalition – PRO Vietnam	Signing ceremony of Vietnam Packaging Recycling Coalition – PRO Vietnam
17-Jul-19	The 1st meeting of IUCN/MarPlasticcs National Advisory Body (NAB)	Organized by IUCN Viet Nam. Author, Director of DLA/MONRE, Chairman of PRO Viet Nam are NAB members. This meeting has triggered the further collaborations amongst the DLA/MONRE, PRO Viet Nam and IUCN in EPR development.
11-Sep-19	Signing the MOU between MONRE and PRO Viet Nam	Collaboration to enhance the circular economy. EPR is the central topic for this collaboration.
22-Nov-19	Workshop "The Extended Producer Responsibility: International experience and Lessons learnt for Viet Nam" in Hanoi	Korea, Taiwan, South Africa experiences are shared. Co-organized by Department of Legal Affairs under MONRE and Packaging Recycling Organization Vietnam (PRO Vietnam)
19-Feb-20	Signing the MOU between MONRE and Dow Vietnam, SCG, and Unilever Vietnam to build Public Private Collaboration to drive a circular economy for plastics waste management.	Public Private Collaboration aims to create a platform for collaboration and collective actions.
16-Mar-20	Minister's Decision No. 641/QD-BTNMT dated 16 March 2020 on establishment of EPR Working Group (aka EPR National Platform). This Decision revised by Decision No. 1216/QD-BTNMT dated 1 June 2020 that opens the scope of the WG.	The voluntary based mechanism for open dialogue and synergy, and the resources for developing the EPR schemes for Viet Nam.
24-Apr-20	The 1st meeting of the EPR National Platform (online meeting due to COVID crisis)	Invited IUCN Viet Nam as coordinator of this mechanism.
25-Jun-20	The 2nd meeting of IUCN/ MarPlasticcs National Advisory Body (NAB)	

26-Jun-20	Workshop on "Extended Producer Responsibility frameworks: Shaping a packaging sector toward to Circular Economy" in Hoi An	Consult the model of EPR in Draft Law on Environment Protection 2014 Revision
26-Jun-20	MOU signed between IUCN Viet Nam and PRO Viet Nam	*Inter alia*, financial and technical support for the EPR National Platform is included.
16-Jul-20	WWF's workshop Assessing the implementation of an Extended Producer Responsibility (EPR) system for packaging waste in Viet Nam'	Assessment conducted by Cyclos GmbH and Intecus GmbH.
17-Nov-20	Law on Environmental Protection 2020 was passed by National Assembly	EPR scheme is official approved.
19-Nov-20	The 2nd meeting of EPR National Platform in Hanoi	Develop the action plan. Organized by IUCN Viet Nam
16-Dec-20	The final workshop 'Assessing the implementation of an EPR system for packaging waste in Viet Nam – Dissemination of Results'.	Organized by WWF Viet Nam and International Consultants (Cyclos GmbH and Intecus GmbH) on the proposal of the EPR structure for Viet Nam.
17-Dec-20	The 3rd meeting of IUCN/ MarPlasticcs National Advisory Body (NAB)	
18-Dec-20	Consultative workshop on Draft Decree guiding the EPR in Da Lat	1st time to introduce the legal framework on how the EPR works
8-Jan-21	Consultative meeting with Electronic producers on EPR regulations	
29-Jan-21	Consultative meeting with pro-ducers of ELVs, Tyres, Oils and Batteries on EPR regulations	

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