



PwC Vietnam Legal NewsBrief

Extended Producer Responsibility ("EPR") Regulations under the New Decree on Environmental Protection

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At a glance...

The 2020 Environmental Protection Law, which came into effect on 1 January 2022, introduced the EPR concept which specifies the responsibilities of producers and importers with regard to the recycling and treatment of discarded products and packages.

On 10 January, the Government issued Decree 08/2022/ND-CP to guide the implementation of various provisions of the Law and provide regulations on EPR-related matters.

In details

Key EPR regulations in Decree 08 include:

1. Recycling responsibility

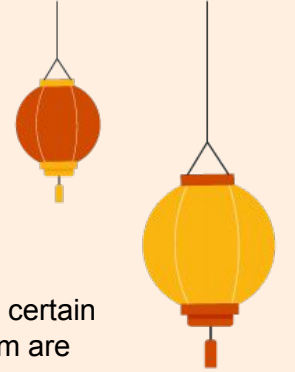
- Manufacturers and importers of certain products (e.g. batteries, machine oils, tyres/tubes, electrical/electronic equipment and means of transportation) and certain packages (e.g. those for containing foodstuff, cosmetics, medicines, fertilisers, animal feeds, veterinary drugs, detergents and cement) to be sold in Vietnam are responsible for recycling such products and packages.
- The compulsory recycling rates vary from 0.5% to 22% depending on the type of products/ packages and will be increased every three years.
- Producers and importers can choose to self-recycle (subject to certain conditions) or make a monetary contribution to the Vietnam Environment Protection Fund (“VEPF”) to support recycling activities.
- Those who choose self-recycling must register annual recycling plans and submit an annual report on the recycling results to the Ministry of Natural Resources and Environment (“MONRE”).
- Decree 08 also provides a formula to calculate the monetary contribution applicable to those who prefer to make contributions to the VEPF. The contribution amounts must be declared to the MONRE on an annual basis and contributed to the VEPF within the prescribed timeline.
- Although Decree 08 came into effect on its signing date, the application of the recycling obligation is scheduled to begin from 2024, 2025 or 2027 depending on the type of product/package.

2. Waste treatment responsibility

- In contrast to the regulations concerning recycling responsibility, there is only one way in which producers/importers may fulfil their waste treatment responsibility: they must make a financial contribution.
- Manufacturers/importers of certain products/packages (e.g. containers for pesticides/insecticides, single-use batteries, diapers, chewing gums, cigarettes, straws and single-use food containers, balloons, sticky tape, single-use toothbrushes, one-time shampoo/conditioners, disposable razors, clothes/accessories, leather goods/bags/footwear, toys, furniture, construction materials and non-biodegradable plastic bags) are responsible for making this financial contribution. They must also declare to MONRE the amounts to be contributed to the VEPF and make the payment within the prescribed timeline.
- The contribution amount varies depending on each type of product/package; it may be based on each unit or 1% of revenue, and will be increased every five years.

The above recycling (self-recycle or financial contribution) and waste treatment responsibilities are not applicable to certain manufacturers/importers (e.g. manufacturers with annual revenue of less than VND 30 bn., importers with a total import value per year of less than VND 20 bn., and those who manufacture/import products/packages for study, experiment or re-export purposes).

Further guidance will be published by MONRE.



Contact us

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