



Experience in implementing extended producer responsibility (EPR) to promote circular economy development in Korea



▲ Mr. Lee Jae Kwon
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Extended Producer Responsibility (EPR) is a necessary, important factor in promoting and sustaining the circular economy. This concept is expected to be an important solution to effectively solve the current plastic waste problem.

EPR is applied in many countries around the world to control waste discharged into the environment. In other words, EPR shows that the responsibility of the manufacturer does not stop at the product, but extends to post-consumer waste management. Manufacturers are responsible for recalling, sorting,

Recycle bottles, boxes, jars, bags, and packaging after the product inside has been used up. Post-consumer waste management belongs to the place where the waste is generated, rather than the Government's job as before. To understand the above regulations in Korea, Environment Magazine interviewed Mr. Lee Jae Kwon - Chief Representative of KEITI in Vietnam.

• Could you please tell me, how is EPR regulated in the Korean legal system over the years?

Mr. Lee Jae Kwon: In Clause 1, Article 16 of Korea's Law on Resource Saving and Promotion of Recycling, it is stated that "through the improvement of raw materials, structure and collection system at the production stage, the circulation stage can be promoting the recovery and recycling; or among products and packaging with a large amount of waste generated after use, waste production, import, recovery, recycling...". This is a regulation in the list of products in the Presidential Ordinance. Also in Clause 3 of this Law, manufacturers who are obliged to recycle must pay the recycling division to the Mutual Association.

The combination of the above clauses shows that the Korean EPR stipulates that the manufacturer of the product or the manufacturer that uses the packaging is obliged to recycle a certain amount of waste generated by the product or packaging and carry out recycling and processing; in case of not being directly recycled, the manufacturer must make financial contributions and expenses to carry out the recycling.

The EPR Regulation in Korea was revised and supplemented from the deposit regulation that was implemented in 1992 and took effect on January 1st, 2003, with a focus on the recycling system.

• Could you please tell me some specific regulations on principles, conditions, documents and procedures for financial support for recycling and waste treatment activities in Korea?

Mr. Lee Jae Kwon: Every year, the Korean Ministry of Environment amends the regulations on job handling, Government subsidies and financial support. The regulation is based on the main Laws in the field of waste management such as "Law on Waste Management", "Law on

Resource Cycle Basis" and Law on Subsidies such as "Law on Management of Subsidies", "Regulations on general management of Government subsidies", specifying the ratio of support between the Government budget and the local budget for each waste treatment facility such as waste incinerators, biogas synthesis facilities from organic waste, ordinary public sorting facilities, landfilling facilities, building environmentally friendly energy zones, general waste treatment facilities in agricultural and fishery areas...

This Regulation applies not only to projects implemented from the budget of local governments, but also to projects directly invested and operated by the private sector. In 2023, the Regulation is revised, expanding the recipients of government subsidies to be pre-treatment facilities to reduce the landfill rate to zero and facilities for sorting recyclable domestic waste at construction sites. construction with less than 5 tons of waste generated to promote recycling of household waste, the regulation demonstrates the Korean government's constant efforts to promote resource recycling.

With the EPR mechanism, there will be a recycling share payable to the waste recycling community. This is about 200 billion won per year through the Korea Resource Circulation Assistance Agency and support for recycling units based on the volume of recycling.



• ***What are the advantages and disadvantages of implementing this content in Korea?***

Mr. Lee Jae Kwon: Korea differs from European countries and Japan in enforcing the previous regulation of collecting waste fees by volume, through the consumer recycling responsibility regime. Accordingly, the consumer's recycling responsibility regime, building a system to easily classify recyclable wastes. To further improve this regime, EPR has been applied to improve recycling capacity from sorting to recycling. When implementing EPR in combination with the recycling responsibility of consumers previously implemented not only helps manufacturers avoid having to pay double costs for waste collection and treatment, creating a balance in terms of waste collection and disposal. In addition, the EPR Regulation also creates employment and economic efficiency (savings in landfill costs, incineration costs).

However, that Regulation has not only positive sides. If EPR regulations are not implemented thoroughly, it will make the growth of the recycling market less stable, becoming a cause affecting investment decisions and narrowing the technology development of entities in the recycling industry. In addition, the list of EPR implementations such as paper packaging, synthetic plastics, household appliances, fluorescent products... also has a large difference in the results of recycling, so it is also a limitation that increases the efficiency of recycling. Instability in the recycling market. It can be concluded that, in order to promote recycling growth in each category, the most important thing is still the Government's support for technology development and appropriate policy formulation.

• ***How is the mechanism of organization, operation, and monitoring of EPR implementation to promote efficiency, the right audience and the set purpose, sir?***

Mr. Lee Jae Kwon: To operate the EPR regulation, it is necessary to divide the roles of consumers, local authorities, manufacturers, Mutual Associations, Ministries/sectors, and Government agencies. First, consumers have to do the sorting of recycled products before throwing them away, local authorities have a form of punishment for violators, and monitor people to comply with the regulations. Producers who are obligated to recycle are obliged to recover and reuse recycled products under Article 16 of the Law on Resource Saving and Promotion of Recycling. In addition, the reciprocal associations for each material recycling project also need to strictly manage the distribution of money for recycling in order to realize the common recycling community according to the obligation based on the above Law.

At the same time, there should be Government agencies (Korea Environment Agency) in charge of administration related to regulatory compliance such as receiving reports on recycling collection obligations, recycling results. For each manufacturer, the Korean Ministry of Environment is in charge of the entire EPR process such as the development and amendment of the Law, the announcement of the recycling list, the establishment of the Mutual Association...

The EPR regime is conducted in the following order: (1) Announce the rate of reuse obligation of each product (Korea's Ministry of Environment announced in December of the previous year); (2) Submit and approve the plan of collection and recycling obligations (January - February of the same year, manufacturer Korea Environment Agency); (3) Enforcement of recycling obligations (From January to December of the same year, the manufacturer); (4) Submit report on quantity and results of products subject to recycling obligation (Done in April of the following year); (5) Notice of recycling fee (implemented in July next year, Mutual Association); (6) Pay the recycling fee (To be done in August next year). The manufacturer has a recycling obligation, the Mutual Association and the Korea Environment Agency coordinate and monitor each other according to the above process.

• ***In order to promote a circular economy, what experience would you share from Korea so that Vietnam can refer to it in the near future?***

Mr. Lee Jae Kwon: Circular economy is the concept to change "linear economy" which is using a lot of resources and creating waste. To create a circular economy that does not waste resources and continues to reuse is not just about recycling once or twice. Therefore, it is necessary to continuously reuse recycled materials over and over again. In order to do so, the recycled material must be of good quality and must maintain stable quality. Therefore, consumers, manufacturers, recovery and recycling businesses, and the Government must all work together to promote the circular economy. I would like to emphasize that the circular economy should not only operate as an "economic principle".

The industrial model is gradually changing in response to climate change occurring around the world. The use of recycled materials has also become the norm in the industry. The European Union (EU) has developed a plan by 2030, the mandatory use rate of renewable materials is 30%. It also means that if Korean businesses want to export products to EU countries, they must also use 30% of recycled materials. In the future, the use of recycled materials is not an option but becomes a reality. Like it or not, a steady supply of good quality renewable raw materials will become the competitiveness of the industry and become the determining factor of the circular economy. Vietnam is not an exception to this trend, so to promote the circular economy, it is necessary to change the policy and industrial environment.

• ***Thank you very much!***

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