



MINISTRY OF NATURAL RESOURCES,  
ENVIRONMENT AND CLIMATE CHANGE

## TALKING POINTS

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**FOR**

***“OUR FUTURE, OUR CHOICE: RPET &  
SUSTAINABILITY” FORUM***

**ORGANISED BY**

**AMERICAN MALAYSIAN CHAMBER OF COMMERCE**

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10:00 A.M.**

**1. Given the emphasis on the government's part in promoting sustainability and the circular economy, could you elaborate on some of the particular initiatives Malaysia is putting into action to attain its government goal?**

The Madani Government just launched the National Circular Economy Council (NCEC) last September under the leadership of the Ministry of Local Government Development (KPKT). The council is set to bring together stakeholders involved to accelerate our transition from a linear economy to a circular one. As such, this conversation is taking place in a crucial time.

The shift towards a circular economy would enable Malaysia to achieve a systemic move towards long term resilience, eliminate unsustainable consumption and production practices; and concurrently address the issues of climate change, environmental degradation and biodiversity loss.

The aim of the 12th Malaysian Plan is centred around the same principle of moving towards a sustainable circular economy as well. At the core of the circular economy, the focus stems upon sustainable consumption and production as it seeks to do 'more and better with less' by reducing the use of resources, as well as minimising environmental degradation and pollution along the life cycle of goods and services.

Malaysia has taken steps to embrace the circular economy through various policies, such as the National Sustainable Consumption and Production Blueprint 2016, National Solid Waste Management Policy 2016, Malaysia Plastics Sustainability Roadmap 2021-2030, and National Cleanliness Policy 2020-2030.

These policies reflect the country's commitment to transitioning towards a circular economy where resources are used efficiently and waste is minimised. Among other actions taken by NRECC are:

- Joining forces with The Ocean Cleanup to address plastic waste management by the virtue of installing, establishing and mobilizing effective collection mechanism; in this context by the deployment of the “Interceptor Technology” throughout Malaysia. This will ensure the plastic waste collected will be sent to recycling centre, further tapping the USD 1.1 billion market potential of recycle material.
- Advocating for a proper collection mechanism by introducing Reverse Vending Machine (RVM) where the community are able to deposit recyclable waste, for example plastic bottle and aluminium can, and will be given incentive in the form of points and vouchers. These perks can then be redeemed for rewards like shopping voucher and Touch n Go E-wallet credit. This will encourage behavioural change towards recycling through incentivisation and will contribute to a collection of recyclables waste in a more systematic manner and contribute to the recycling initiative.

- Introducing pollution charges for plastic bags on fixed premises to reduce the use of single-use plastic bags. Through this campaign, business premises will charge a fee (for example, 20 cent) for each plastic bag supplied to consumers during payment at the counter. This pollution charge act as a form of prevention in an effort to curb the use of single-use plastic bags that are often discarded uncontrollably.
  - Phasing out problematic single use plastic like plastic bag and polystyrene by replacing it with a sustainable and environmental-friendly alternative, such as biodegradable plastics. Recently, during IGEM2023, I have announced the launch of a new Eco-label for biodegradable plastics. NRECC in collaboration with SIRIM has developed a new standard ecolabel, SIRIM ECO 098:2023. This standard is specifically designed to tackle plastics that leak into the environment enabling them to biodegrade safely in an open environment. It utilizes scientific advancements and technology called "bio-transformation" to set strict criteria ensuring that no microplastics or harmful substances are left behind.
  - Actively involves in the Intergovernmental Negotiating Committee (INC) with the aim to develop an international legally binding instrument that addresses the full life cycle of plastic, including its production, design and disposal. The instrument is based on a comprehensive approach that seeks to end plastic pollution globally. INC began its work in the second half of 2022, with the goal of completing negotiations by the end of 2024.

- Implementing Extended Producer Responsibility (EPR) as one of Circular Economy tools, where producers are made responsible to recover and manage their post-consumer waste. Currently, adoption of EPR is on a voluntary basis but we are moving into a mandatory EPR scheme by 2026.

**2. Given Malaysia's ambitious goal to attain a 40% recycling rate by 2025, could you provide the most recent statistics on plastic collection and the current recycling rate? If possible to share some challenges and opportunities?**

One of the actions to develop a Nationally Determined Contribution (NDC) roadmap for GHG emission mitigation, KPKT has set a target to achieve a **40% National Recycling Rate by 2025**. The national recycling rate for the year 2021, 2022 & 2023 are as follows:

<b>No.</b>	<b>Year</b>	<b>Target</b>	<b>Achievement</b>
1.	2021	32.0%	31.5%
2.	2022	32.5%	33.17%
3.	2023	35.38%.	

The implementation of this national recycling rate is very important to ensure a more efficient and systematic waste management as well as help the country's efforts to **shift from a linear economy to a circular economy** especially in solid waste management sector. The implementation of good recycling activities can also reduce solid waste disposed directly to landfills in line with the government's target in improving the management and prolonging the life span of landfills.

### **Challenges:**

The achievement of the national recycling rate in 2021 is seen as slightly lower than the target due to the impact of the Covid-19 pandemic that occurred since the data for determining the recycling rate for 2021 is based on data collection in 2020. Some contributing factors to the results of this study are:

- a) Recycling centres and recycling factories do not operate during the Movement Control Order (MCO) period and this causes the solid waste generated to be sent directly to landfill; and
- b) In addition, the drop in world crude oil prices caused a slowdown in the economy which in turn resulted in the price of virgin resin being lower.

**3. How do you see the private sector, including companies like Coca-Cola, collaborating with the government to reach this goal?**

The target of achieving 40% national recycling rate in 2025 can be achieved through several improvement proposals that involve two main aspects, namely:

a) Increase the national recycling rate through the following initiatives:

(i) **Strengthening the activities of the CEPA program as well as waste segregation at source (SAS) campaign** also needs to be intensified and this requires budget support for a comprehensive implementation;

(ii) **Providing/ Establishing more recycling centre facilities** in residential and commercial areas to facilitate access to the public to carry out recycling activities.

(iii) **To provide incentives to the industry** to encourage them to develop recycling facilities such as the development of a waste eco park that is private-driven program; and

(iv) **Increasing the value of recycled products** in the market through incentives and standards.

b) Obtaining **more accurate data** through the following initiatives:

(i) **Enhanced strategic cooperation / collaboration with industry players**, especially recycling manufacturers; and

(ii) The need for a **holistic database for the entire country to support the implementation of EPR and improve the determination of recycling rate calculation methods** based on more consistent data sets. This can be coordinated through the National Circular Economy Council (NCEC).

In line with that, Coca-Cola's commitment to constantly innovate its product packaging to tackle plastic pollution is a positive step towards reduction of plastic waste in landfills. This would work well with the Government's aim of transitioning towards a circular economy as the aim is to let the products circulate or stay in the market as long as they can and minimise the use of virgin materials to produce new products.



**4. In your view, what role can individuals and communities play in supporting the government's sustainability efforts?**

The transition towards a circular economy cannot be achieved by the Government alone, in order for Malaysia to achieve its pledge towards the 2030 Agenda for Sustainable Development, it has to be a collective effort and shared responsibility between both the government and private sector. Cooperation and engagement with other stakeholders especially the industry must be enhanced in an effort to make this sustainable agenda a success. However, the real key to the success of this effort is the awareness, acceptance and behavioral change among the plastic consumers (especially individuals and communities to responsibly manage their plastic usage and wholeheartedly protect the environment from plastic pollution. Several roles that can be played are as follows:

- a) Support the proper collection mechanism/ plastic recovery from market through **Reverse Vending Machine (RVM)** where the community are able to deposit recyclable waste, for example plastic bottle and aluminium can, and will get incentivised in the form of points and vouchers. This will nudge behavioural change towards recycling through incentivisation and will contribute to a collection of recyclables waste in a more systematic manner and contribute to enhancing the recycling initiative.

b) React positively and progressively on the government introduction on pollution charges for plastic bags on fixed premises to reduce the use of single-use plastic bags. Through this “**No Free Plastic Bag Campaign**”, business premises will charge a fee (for example, 20 cent) for each plastic bag supplied to consumers during payment at the counter. This pollution charge act as a form of prevention in an effort to curb the use of single-use plastic bags that are often discarded uncontrollably. Therefore, I would like to take this opportunity to urge each and everyone of you to please support this government campaign by bringing your own reusable bag and container when you do shopping or buying foods, and continually make this as a habit in order to preserve our mother nature.

Our future is in our hand. Let’s play our small role, together we can make this huge impact!

With that, I thank you.