Negative news creating a misconception of Recycling

Keeping plastics out

More stringent checks will be carried out on containers at all ports to ensure no prohibited plastic waste enters the country. >9

RM50,000 fine not enough for illegal plastic waste operators, say NGOs

Return to sender: Malaysia seeks origin of tons of plastic waste

Klang council admits problem closing down illegal plastic plants
'sampah plastic'

- A symptom of mismanaged foreign waste smuggled in by unlicensed recycling operators
- A timely reminder that Malaysia also needs to address its own plastics waste
Recycling is a core component of efficient and effective waste management systems, and an advanced plastics recycling industry will support an effective and sustainable waste management system.
The White Paper:

- is a vision of an advanced plastics recycling industry - one that counters plastics pollution

- demonstrates how a vibrant plastics recycling industry will benefit the country’s economy and enhance the government’s efforts to advance its sustainability agenda

- promotes plastics recycling as a key component in the country’s efforts to embrace circular economy - it is the core to an effective and efficient waste management system
GOALS
Malaysia is in critical need of wider collaboration, as managing the flows of plastics from cradle to the grave is a multi-stakeholder undertaking.
GOALS

The importance of properly managing plastics streams and waste management infrastructure in order to develop a viable and successful circular economy
GOALS
The potential of plastics recycling as a contributor to Malaysia’s economy

- Plastics are valuable resources that can be transformed into new feedstock or into energy instead of being buried in landfills.
- To advance up the value chain, it is not just the plastics recyclers who need to upgrade their equipment and technology to produce higher value recycled feedstock.
- Malaysia as a country must encourage higher quality investments in the recycling of all materials, from plastics to construction waste.
OBJECTIVES

01. Keep plastics in the economy whereby recyclables are treated as materials and resources

02. Build an advanced plastics recycling industry as part of an effective waste management system

03. Address plastics throughout its lifecycle in the transition to a circular economy

04. Shared responsibility for the environmental impact with all parties involved in a product’s life cycle, under government-led or industry-led, voluntary product stewardship

05. Promote the adoption of the Extended Producers Responsibility (EPR) concept in Malaysia

06. Improve the national recycling rate to 35 percent of local plastics recyclables (more than double the current rate) by 2025

07. Study and recommend improvements to plastics recycling facilities and infrastructure through new technologies

08. Contribute to the development of frameworks for better regulation and improved waste management system

09. Grow the plastics recycling industry’s contribution to the Malaysian economy to RM20 billion a year from the current revenue of RM4.5 billion
Why the need for an advanced recycling industry?

**TO MANAGE WASTE - BETTER**
Sampah Plastik is caused by illegal recyclers who have smuggled in dirty, contaminated, unsorted plastic household waste from high-income countries.
Sampah Plastik

This has caused:

• Unlicensed and unregulated factories to mushroom in places like Jenjarom and Teluk Gong, Selangor and Sungai Petani, Kedah

• Illegal landfills and dumps of sampah plastik left abandoned as illegal recyclers attempt to escape the clampdown

• Abandoned dumps and landfills pose a pollution risk especially to surrounding communities
Sampah Plastik

• Malaysia is in the process of recovering from this crisis - within 6 months, local authorities have shut down more than 150 of these unlicensed factories

• We do not condone any illegal activities and support the clamp down against unlicensed recycling operators who break the law and pollute the environment
Why the need for an advanced recycling industry?

• The plastics recycling industry plays a crucial role in any country’s waste management system.

• Recycling alleviates the immense pressure on landfills while reducing the amount of recyclable material which would be permanently lost.

• Recycling also prevents pollution as part of an effective waste management system.
Plastics recycling industry as a vibrant contributor to Malaysia’s economy

Plastics Recycling industry produces 1.5 million tonnes of recycled resins a year worth approximately **RM4.5 billion** in revenue, roughly 50% of its production generating foreign exchange earnings for the country.

Plastics recycling industry supports the RM31 billion local plastics industry - a key supply chain to the local electrical and electronics and automotive industry.
Plastics recycling industry as a vibrant contributor to Malaysia’s economy

• As export-oriented economy, Malaysia generates plastics waste along the entire value chain of the manufacturing sector - With manufactured goods comprising 55% of exports, and electronic and electrical products making up 34% of total exports

• MPMA and MPRA estimates the total value of manufactured plastics goods, or goods containing plastics parts, across sectors in the economy amounts to approximately RM320 billion per annum - the electronic and electrical sector produces RM290 billion of end-products which contain plastics, while the automotive sector produces RM25 billion and the F&B sector RM3 billion
An advanced plastics recycling industry will require significant organisational and collaborative effort across all agencies overseeing and regulating the plastics industry value chain.

*This is necessary to achieve better efficiencies and efficacy in recycling plastics wastes.*
A simple outline which shows there is a complex array of regulators enforcing various laws and policies, from raw material to consumption to waste.
Malaysia is in critical need of wider collaboration

• Managing the flows of plastics from cradle to the grave is a multi-stakeholder undertaking

• Adopting Extended Producers Responsibility (EPR) schemes in Malaysia - in order to better connect regulation with the circular economy. Introducing EPR schemes can push producers’ incentive to change product designs in environmentally benign ways, such as making products that are easily recyclable or reusable

(Organisation for Economic Co-operation and Development, n.d)
Malaysia is now preparing to take the next step towards sustainability and in the process of developing a circular economy.

*In a circular economy, the waste becomes a valuable resource, to be recycled as raw material and made into new products and not thrown away.*
Proper management of plastics streams and waste management infrastructure for a successful circular economy

- The country’s low recycling rate is an indication of gaps and deficiencies in the current waste management system which lacks the resources to develop sustainably

MPMA & MPRA’s Vision of an Effective Waste Management System

INPUT

Industry Waste
Household Waste
Commercial Waste

Collectors

MRFs (Sorters)

Clean & Sorted PLASTICS
Clean & Sorted PAPER
Clean & Sorted GLASS
Clean & Sorted METAL

UNRECYCLABLE WASTE

OUTPUT

Recyclers
Recycled Secondary Material
WTE
Energy
Landfill / Incinerator
Final Disposal

Final Disposal
Proper management of plastics streams and waste management infrastructure for a successful circular economy

• In a circular economy, the waste becomes a valuable resource, to be recycled as raw material and made into new products and not thrown away.

• This reduces the need to extract more natural resources and the impact on the environment.

• Redeploying waste as a resource to used be over and over is the organising principle of circular economies, which is why recycling plays an important role

The Future of Plastics Waste Management

Build an Advanced PLASTICS Recycling Industry to Counter PLASTICS Pollution

**ESTABLISH**
- Shape and influence the national recycling policy
- Lobby for better SAS enforcement
- Recommend remodel of plastic recycling industry

**BUILD**
- Raise plastic collection rates
- Raise recycling capacity
- Upgrade recycling capabilities
- Raise investment in recycling infrastructure

**SUSTAIN**
- Participation in circular economy
- Partnerships with Brand owners
- Shape and influence regularisation and standards of recycled plastic material (fit-for-reuse)

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Continuous engagement and collaboration with the Government and stakeholders

**Main Objectives**
- Shape and influence the national recycling policy
- Lobby for better SAS enforcement
- Recommend remodel of plastic recycling industry
- Raise plastic collection rates
- Raise recycling capacity
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- Raise investment in recycling infrastructure
- Participation in circular economy
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**Action Areas**
- Recommendations for Regularisation & SAS Enforcement
- Advanced Recycling Technology
- Increase MRFs
- Implement EPR
- Promote MyHijau Products
- Education & Training
- Plastics Recycling Policy & Standards
- Recycling Incentives
- Investments from private sector
- MPMA/MPRA White Paper for Circular Economy Master Plan
- MPMA/MPRA White Paper for Waste Management Master Plan

*With better technology and increased capacity, Malaysia’s advanced plastics recycling industry could grow its contribution by three to four times, to RM15 billion to RM20 billion annually*
THANK YOU