

Bird & Bird ATMD

Legal Update



New laws regulating waste in Singapore to be introduced this year

March 2019

*In January 2019, the Ministry of Environment and Water Resources announced that a Zero Waste Masterplan ("**Masterplan**") will be published and implemented in the second-half of 2019, as part of Singapore's plan to make 2019 the "Year Towards Zero Waste". To effect this Masterplan, Senior Minister of State for Environment and Water Resources Dr Amy Khor announced in Parliament on 8 March 2019 that a new legislation will be tabled this year – the Resource Sustainability Bill ("**Bill**").*

The Bill aims to support economic opportunities in innovative circular business models and the rising demand for resource recovery in Singapore and the region. A circular economy aspires to reuse and recycle resources for as long as possible - Singapore's current trend of linear use of its resource will mean that Semakau Landfill, Singapore's only landfill, will run out of space by 2035.

The Bill seeks to tackle the management of three critical waste streams: e-waste, packaging waste including plastics and food waste.

E-waste

To manage e-waste, the Extended Producer Responsibility ("**EPR**") framework will come into effect in 2021 to make producers financially and physically responsible for the collection and treatment of their post-consumer products. A "producer" is a manufacturer of a product, and "EPR" is an environmental protection strategy to minimise the total environmental impact of a product, by making the producer responsible for the entire life-cycle of the product, including take-back, recycling and final disposal.

The new Singapore EPR framework will apply to electrical and electronic equipment ("**EEE**") that cover five categories: (1) solar panels, (2) Information and Communication Technology equipment, (3) batteries, (4) lamps and (5) large appliances.

The National Environment Agency ("**NEA**") will appoint a Producer Responsibility Organisation ("**PRO**"), which organises e-waste collection and recycling for producers. The PRO will be subject to collection targets imposed by NEA, and penalties will be imposed for missing such collection targets (though penalties will not be imposed within the first three years). The PRO will be financed by producers of consumer EEE (i.e. EEE products that are ordinarily supplied for private consumption, for example laptops and mobile phones), while small producers will be exempted to avoid imposing disproportionately high costs on them. On the other hand, producers of non-consumer EEE (i.e. EEE products for non-consumer use like industrial

equipment such as solar panels and data services) will not need to finance the PRO. Instead, they must provide free take-back services of their own end-of-life products upon their customers' request and self-finance the recycling at licensed recyclers. We believe that the role and mandate of the PRO (which appears to be a national monopoly) should be clearly defined and closely scrutinised.

Additionally, retailers are required to offer free 1-to-1 takeback services during delivery – for example, take away an old refrigerator when delivering a new one. Large retailers with a sales area for consumer EEE of more than 300 square metres must provide in-store collection points, to allow their consumers a convenient avenue for recycling e-waste.

Packaging Waste

A mandatory packaging reporting framework for businesses will be introduced in 2020. Producers of packaging and packaged products must report to NEA how much packaging they put-to-market annually, and submit plans to reduce, reuse or recycle packaging waste. Notably, micro and small enterprises with an annual turnover of S\$10 million or less will be exempted.

Based on the mandatory reporting framework, the Government is further studying plans on introducing an EPR framework (similar to the one for e-waste) for managing packaged wastes by 2025.

Food Waste

From 2024, commercial and industrial premises that generate large amounts of food waste must segregate it for treatment. These premises include hotel and malls, and industrial development housing food manufacturers, caterers and food storage warehouses.

Existing premises that generate such large amounts of food waste can choose the treatment solution best suited to their operations (eg. On-site segregation and treatment or off-site treatment at the upcoming Tuas Nexus). New developments where large amounts of food waste are expected are required to plan for on-site food waste treatment in their building design. New building plans must incorporate on-site food waste treatment from 2021 onwards.

Comments

Given that many countries already have relatively comprehensive frameworks in managing waste and promote recycling (for example, the United Kingdom), Singapore's attempts to better manage waste is a highly welcomed endeavour to keep abreast with international trends and to encourage a more sustainable living environment.

The new Bill will clearly impose greater obligations on many businesses in respect of managing and minimising waste production – from producers of EEE and packaged products, EEE retailers, building developers, and even consumers themselves. Crucially, the introduction of the Bill should signal to businesses, whether new or existing, that they now need to consider more robust waste management in their operations. New businesses must design their operations, management and building plans (if applicable) in compliance with the requirements under the Bill, finally giving waste management the significant role it deserves at the planning and development stage of business operations, and not just an ancillary function or consideration. Existing businesses should act prudently to review their current operations and waste management framework, in order to determine the extent of the additional obligations that will be imposed on them and make preparations for the upcoming changes. Early preparations may reduce compliance costs, and avoid potential penalties that may be imposed for non-compliance when the legislation comes into effect.

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