# APAC Regulatory Perspectives and Way Forward

ICIS Sustainability and Circular Economy session at APIC in Bangkok

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# We are a global packaging leader, with a proud history

US $14.7 billion
annual sales

41,000+ Co-workers globally

218+ manufacturing sites worldwide

Operations across 41 countries

Began operations in the 1860s

US$100+
in annual R&D investment

## Packaging we make

- Flexible packaging (plastic, paper, aluminum)
- Rigid packaging
- Folding cartons
- Capsules



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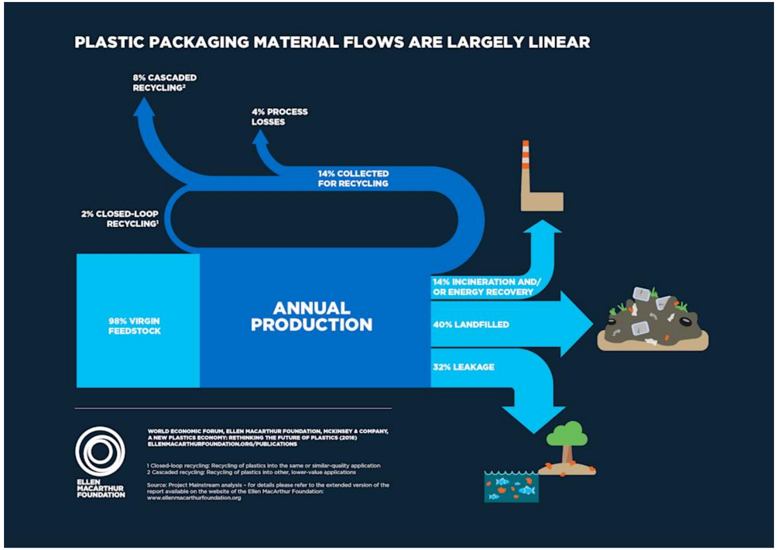
# Disclaimer

The information provided in this presentation is for informational purposes only and should not be taken as legal advice.

While we strive to ensure the accuracy and completeness of the information, it is not intended to replace professional legal consultation.

# The challenge for the plastic value chain





- Plastic packaging continues to flow in largely linear value chains
- Across Asia Pacific significant volumes of mismanaged plastics

- Consumers are concerned about plastic pollution
- Companies are increasingly concerned from a sustainability perspective
- Governments globally are taking action
- UN Global Plastics Treaty


*Source: https://www.ellenmacarthurfoundation.org/plastics-and-the-circular-economy-deep-dive*

# The challenge is an economic one across Asia Pacific

Figure 1 | Economic gaps in the downstream system


AUSTRALIAN PACKAGING COVENANT ORGANISATION

- Recent consultation paper by the Australian Packaging Covenant Organisation (APCO) in Australia
- Highlights that circularity of packaging is an economic issue
- Economic issues seen in Australia are the same across any country in Asia Pacific (and why we still have a linear economy)



Source: https://documents.packagingcovenant.org.au/public-documents/APCO%20Member%20Consultation%20Paper%20-%20April%202025

# Extended Producer Responsibility (EPR)

Around world EPR is being implemented as means to close the economic gaps that exist for plastics packaging circularity

Table 7 | Estimated total shortfalls for the collection, transportation, sorting and reprocessing

| Material | Economic shortfall (in FY25 dollars) |
|---|---|
| **Soft Plastics** | $1,295 - $1,762 per tonne |
| **Rigid Plastics** | $350 per tonne |
| **Fibre** | $117 per tonne |

Source: Evello Partners

APCO AUSTRALIAN PACKAGING COVENANT ORGANISATION

- Consultation by APCO advises approx. AUD$1295 to AUD$1762 per tonne of flexibles put on market required to close the economic gaps for circularity of flexible packaging in Australia ( approx. 700 Euro to 1000 Euro per tonne)

**Summary Table: EPR Fees for Flexible Packaging (2024–2025)**

| Region/Country | Typical EPR Fee (€/tonne) | Notes |
|---|---|---|
| Western Europe | €200–€600+ | Higher for hard-to-recycle materials; rising annually |
| Vietnam | ~€125 (estimate) | Based on early regime and industry estimates |
| `India | <€100 (varies, low) | Early-stage, limited fee enforcement |
| Japan, S. Korea | €100–€250 | More mature, but still below Western Europe |

- European EPR fees much higher than being proposed in Asia.
- APCO Australia consultation similar in scale to Europe.
- Typically EPR schemes in Asia Pacific is paying for collection however not into investment for waste management infrastructure, reprocessing capacity or community education programmes



Source: https://documents.packagingcovenant.org.au/public-documents/APCO%20Member%20Consultation%20Paper%20-%20April%202025

Source: https://www.perplexity.ai/search/what-are-the-average-epr-fees-I_OCQBuPQb66Sru8ajxKBg#0

# Regional Summary

| Europe e.g. Belgium | Emerging: India, Philippines, Vietnam | In development: Australia, Thailand |
|---|---|---|
| • Early adopter since 1990s<br>• Governance of EPR by IRPC<br>• Well-established PROs (Fost Plus, Valipac)<br>• High recovery and recycling target (align with EU PPWR or more ambitious)<br>• Fees are eco-modulated and reinvested into value chain infrastructure | • Rolled out in the 2020s<br>• Collection/recovery and recycling targets (India, Philippines, Vietnam), PCR target (India)<br>• India EPR fees (registration fee and EC) for plastic = ~₹8,000/ tonne (~USD100)<br>• Philippines non-compliance fines from PHP 5 mil (USD 80K)<br>• Vietnam environmental protection fund (VEPF) fee structure in development | • Australia: national EPR scheme in development. National targets on recycling and use of recycled content in flexible packaging<br>• Thailand: EPR draft in development |

- Regionally regulation and implementation of EPR is evolving
- There is opportunity to adapt the models and governance of EPR that has been developed in other countries
- To be effective at creating circularity the EPR fees raised need to address all elements of the value chain

# Recycled Content

- The focus on recycled content targets is still a developing area
- In Asia Pacific, India and Australia are the only countries with established targets for the use of recycled content in packaging by 2025 onwards
- While more advanced countries like the EU has targets by 2030

**Asia Pacific: Australia, India**


- Australia National Packaging Target:
  **50% average recycled content in packaging**
- India minimum post-consumer recycled material (PCR) target:

| | Category 2 (Flexibles) | Category 3 (Multilayer) |
|---|---|---|
| 2026-2026 | **10%** | **5%** |
| 2026-2027 | **10%** | **5%** |
| 2027-2028 | **20%** | **10%** |
| 2028 onwards | **20%** | **10%** |

**European Union (EU)**

- EU PPWR: Mandatory minimum % of PCR content in any plastic part of packaging

| | Contact-sensitive packaging made from plastic materials (excluding PET bottles) | Non-contact sensitive plastic packaging |
|---|---|---|
| 2030 | **=>10%** | **=>35%** |
| 2040 | **=>25%** | **=>65%** |

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