



Malaysian Recyclers Association BOARD OF DIRECTORS — BRIEFING

# KPKT Briefing on the EPR Framework

Draft Producer Responsibility Organisation (PRO) Guidelines under Malaysia's Extended Producer Responsibility framework



19 June 2026 (Fri)



8:30 AM – 12:00 PM



Bilik Media, KPKT Putrajaya



THE INVITATION

# Meeting at a Glance

## PURPOSE

A briefing and refinement session to gather stakeholder feedback on the draft PRO Guidelines before they are formally implemented engaging industry associations, manufacturers, recyclers and brand owners.

## AGENDA

- 1 Registration and breakfast
- 2 Opening remarks by KPKT
- 3 Discussion and refinement of the PRO Guidelines
- 4 Q&A session
- 5 Lunch and adjournment

## MEETING DETAILS



DATE

19 June 2026 (Friday)



TIME

8:30 AM – 12:00 PM



VENUE

Bilik Media Aras 1, KPKT Putrajaya



CHAIRMAN

Deputy Secretary General (Strategic Planning & Empowerment), KPKT

## WHY WE ARE INVITED

MRA members hold official **Recycle Licenses**, and the Association serves as a leading body that nurtures, guides, and safeguards fair advantages for recycler company owners with emphasis on empowering **Malaysian entrepreneurs**.



## KEY CONCEPT

# What is EPR?

**Extended Producer Responsibility** makes producers, importers and brand owners financially and operationally responsible for managing the waste generated by their products and packaging after consumer use, shifting cost away from local councils.

INSTEAD OF COUNCILS BEARING THE COST, PRODUCERS NOW:



### Pay

Fund waste management



### Organise Collection

Set up collection networks



### Finance Recycling

Pay for recovery & processing



### Report Performance

Disclose recovery results

## ALREADY IMPLEMENTED WORLDWIDE

Germany

Japan

South Korea

Singapore\* & India

EU countries

\* Singapore applies EPR to selected waste streams.



## KEY CONCEPT

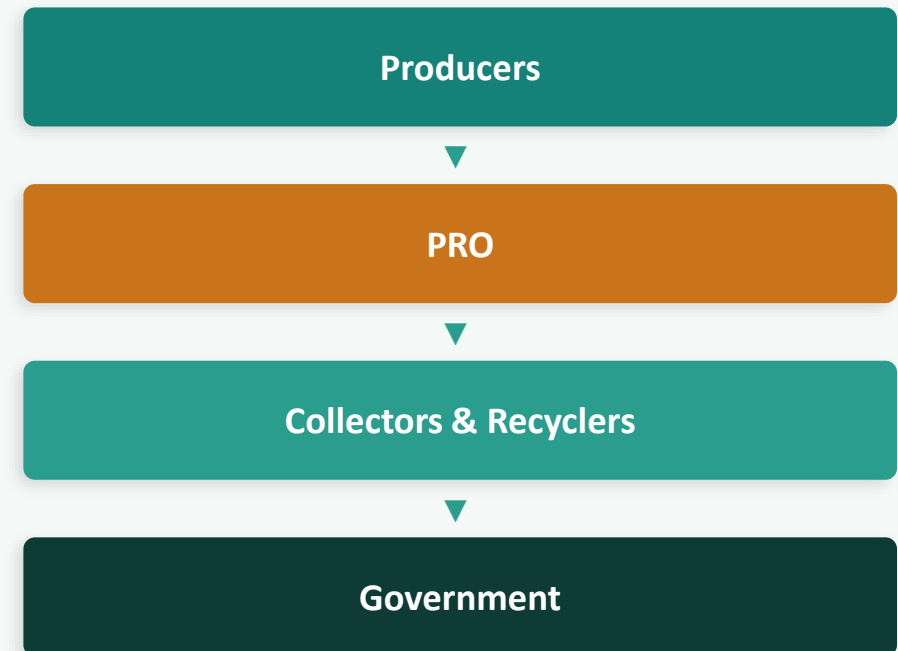
# What is a PRO?

A **Producer Responsibility Organisation (PRO)** manages EPR obligations collectively on behalf of producers. Rather than Nestlé, Coca-Cola, Unilever and P&G each running recycling alone, they join a shared PRO.

### THE PRO COLLECTIVELY:

- ✓ Collects EPR fees from producers
- ✓ Contracts licensed recyclers
- ✓ Monitors recovery performance
- ✓ Reports to government agencies
- ✓ Meets national recycling targets

### THE PRO SITS BETWEEN:





WHAT'S IN THE DRAFT

# Major Points in the Guidelines



## A. Registration

- Incorporated in Malaysia
- Registered with SSM
- Approved by KPKT
- Submit implementation plans
- Prove collection & recycling capability



## B. Governance

- Industry representatives on board
- Independent directors
- Licensed recycler representative
- Audit Committee
- Risk Management & ESG Committees



## C. Transparency

- Report Put-on-Market (POM) data
- Maintain records
- Submit annual reports
- Submit audited financials
- Mass balance verification audits



## D. Recovery Targets

- Collection networks
- Licensed recyclers
- Data reporting systems
- Verification audits
- Achieve collection & recycling goals



WHY IT MATTERS

# Benefits of EPR for Malaysia



## Environmental

- ✓ Higher recycling rates
- ✓ Less landfill disposal
- ✓ Reduced marine plastic pollution
- ✓ Better waste segregation
- ✓ Circular economy growth



## Economic

- ✓ Stable recycling feedstock
- ✓ More investment in facilities
- ✓ More jobs in the sector
- ✓ Higher demand for recycled material
- ✓ Better pricing transparency



## Industry

- ✓ Long-term recycling contracts
- ✓ Predictable recycling volumes
- ✓ Funding from producer fees
- ✓ Improved traceability
- ✓ Formalisation of the industry



OUR STAKE

# What EPR Means for MRA

*If implemented properly, EPR creates a structural advantage for licensed recyclers, our most important discussion point.*



## Guaranteed Material Supply

Tackles today's material leakage and inconsistent collection by lifting collection volumes.



## Stable Revenue

PROs will need recyclers, driving long-term contracts, service agreements and recovery incentives.



## Industry Recognition

The draft requires recycler representation in PRO governance structures.



## More Investment

Producers may fund collection centres, sorting facilities, recycling plants and traceability systems.



## PART TWO

# MRA's Official Position Paper

Prepared for the Ministry of Housing and Local Government (KPKT) · June 2026

*MRA supports the implementation of EPR in Malaysia, provided the framework is practical, transparent and inclusive of licensed recyclers, who should be recognised as strategic implementation partners.*



WHO WE ARE

# About MRA & Our Position

## 200+

Member companies represented  
across Malaysia

### SECTORS WE REPRESENT



Ferrous metal recycling



Non-ferrous metal recycling



E-waste recycling & management



Waste oil recovery



Resource recovery



## OUR POSITION

MRA is one of Malaysia's leading recycling industry associations — spanning scrap processors, recyclers, recovery facilities, traders and exporters.

We support EPR implementation to lift recycling rates, strengthen domestic recycling infrastructure, reduce landfill dependency and advance Malaysia's circular economy.

**Our ask:** Recyclers must be recognised as strategic implementation partners, not just service providers.



WHAT WE ASK FOR

# Key Recommendations

GOVERNANCE — OUR HEADLINE ASK

# 20%

Minimum recycler representation on every PRO Board



Plus one dedicated MRA seat within the EPR governance structure.



Domestic recycling first policy



Transparent EPR fund allocation



Material-specific recovery targets



Funding support for collection & recycling infrastructure



Development of national recycling traceability systems



WHAT WORRIES US

# Industry Concerns



**Limited recycler representation** Recyclers risk being under-represented in PRO decision-making.



**Export of recyclable materials** Recyclables may be exported despite available local processing capacity.



**Unclear EPR fee allocation** No clarity yet on how producer fees will be distributed.



**Scope of future sectors** Uncertainty over inclusion of e-waste and waste oil streams.



**Audit & compliance costs** Verification and reporting may impose significant cost on recyclers.



WHAT WE WILL ASK

# Questions for KPKT

1

How many PROs will be licensed?

2

Can multiple PROs operate simultaneously?

3

How will EPR fees be calculated?

4

How will recyclers participate in governance?

5

What are the proposed recovery targets?

6

How will metals, e-waste & waste oil be addressed?

7

What transition period precedes mandatory implementation?



## OUR PROPOSAL

# National Recycling Industry Advisory Council

MRA proposes a standing advisory council to provide ongoing industry consultation and policy recommendations throughout EPR implementation.

## PROPOSED MEMBERS



**KPKT**



**DOE**



**MRA**



**Manufacturers**



**Producers**



**PRO Reps**

**Purpose:** A permanent channel for industry input into EPR policy, keeping recyclers at the table beyond a single consultation.



CROSS-CHECK

# Alignment with the National Blueprint

*KPKT's Circular Economy Blueprint 2025–2035 (5 pillars, 20 initiatives) — how it maps to MRA's positions.*

| MRA POSITION                                  | HOW THE BLUEPRINT BACKS IT                                                                                                    |
|-----------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|
| ✓ <b>EPR adopted in Malaysia</b>              | Confirmed mandatory & phased <b>CEI 02 (Circular Economy Initiative)</b>                                                      |
| ✓ <b>Recyclers as implementation partners</b> | Industry associations named as implementers <b>CEI 02 (Circular Economy Initiative)</b>                                       |
| ✓ <b>National recycling advisory council</b>  | Industry-led NCEA to develop the recycling sector <b>CEI 03 (Circular Economy Infrastructure)</b>                             |
| ✓ <b>Domestic recycling first</b>             | Build a market for local recyclable materials <b>CEI 10 (Circular Economy Initiative)</b>                                     |
| ✓ <b>Funding for recycling infrastructure</b> | Tax incentives, grants & soft loans <b>CEI 16 · \$5.5 (Monitoring, Reporting &amp; Evaluation (MRE))</b>                      |
| ✓ <b>National traceability systems</b>        | EPR database & digital waste platform <b>CEI 11–12 (Recycling Market Development &amp; Innovation &amp; Green Technology)</b> |

**National validation:** the blueprint makes recycler throughput a primary KPI, targeted **4.6 → 6.9M tonnes/year**, with the national recycling rate rising **33% → 42% by 2035**.



CROSS-CHECK

# Gaps to Raise at the Meeting



## No fixed representation

An industry-led PRO is offered as an option, but the blueprint sets no recycler board quota and no dedicated MRA seat.



## Limited scope

Covers solid waste & packaging, metals are included, but e-waste and waste oil are not addressed (separate DOE rules).



## Funds & export left open

How EPR fees reach recyclers is unspecified, and export of recyclables despite local capacity is not restricted.



**Net for members:** Strongly aligned for packaging & metal recyclers; e-waste and waste oil sit largely outside this blueprint; governance representation remains to be secured.



FOR THE PRESIDENT

# Talking Points for the MRA President



## OPENING

*“MRA represents more than 200 recycling companies covering ferrous metals, non-ferrous metals, e-waste and waste oil recovery. We support EPR and seek a framework that recognises recyclers as key implementation partners.”*



## KEY MESSAGE

*“EPR funding should strengthen domestic recycling infrastructure, create a stable material supply and support investment in recycling technologies.”*



## CLOSING

*“MRA is committed to working closely with KPKT and industry stakeholders to ensure the successful implementation of EPR in Malaysia.”*



IN CONCLUSION

# Toward a Stronger Circular Economy

A successful EPR framework should:



Strengthen the recycling ecosystem



Support domestic recyclers



Create green jobs



Accelerate the circular-economy transition

*MRA stands ready to work with KPKT to make EPR a success for Malaysia.*