SIGNING CEREMONY FOR PACKAGING RECYCLING ORGANIZATION VIETNAM - PRO VIETNAM
Pioneering coalition of consumer goods and packaging industry contributes towards a green, clean and beautiful Vietnam

HO CHI MINH CITY, JUNE 21st, 2019
A coalition of nine leading companies from the consumer goods and packaging industry aims to contribute to a clean, green and beautiful Vietnam by driving the circular economy and making recycling of packaging more accessible and sustainable. This is an important pillar in the 3R rule (Reduce – Reuse – Recycle). To this end, these nine companies have discussed, aligned and joined hands to organize a signing ceremony to launch the coalition Packaging Recycling Organization Vietnam (PRO Vietnam) in Ho Chi Minh City on June 21st, 2019.

The nine founding members who have come forward with the initiative to form PRO Vietnam (in alphabetical order) are Coca-Cola Vietnam, FrieslandCampina, La Vie, Nestlé Vietnam, NutiFood, Suntory PepsiCo Vietnam, Tetra Pak Vietnam, TH Group and URC Vietnam. PRO Vietnam marks the first time that competing businesses are collaborating in Vietnam to collectively work on improving the environment of Vietnam.

As leading brands in Vietnam which interact with thousands of employees and millions of consumers, companies in this coalition understand that while packaging helps to solve one problem, they can contribute to another. This is especially so, where there is inadequate waste management and a lack of recycling infrastructure. When recycling is not done properly, the packaging becomes a wasted resource that our planet cannot sustain.

Municipal solid waste in Vietnam is forecasted to increase by 38% from 11.6 million tons in 2016 to 15.9 million tons in 2030.¹ Vietnam is currently one of the 5 largest contributors globally to release plastic waste into the ocean, contributing 280,000 tons of plastic waste yearly.² Trade data shows that Vietnam was until recently heavily reliant on imports of scrap plastic and paper as feedstock for its recycling industries. With the growth in waste generation, this challenge of packaging waste is likely to compound further without concerted public-private intervention.³ Thus there is a need to support the growth of a

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¹ World Bank - What a Waste 2.0 (2018)
² Science - Plastic waste inputs from land into the ocean by Jambeck et al. (2015)
strong, resilient domestic packaging collection and recycling ecosystem which can increase recycling rates and reduce packaging leakage.

PRO Vietnam will work towards its ambition through 4 pillars of activities: (1) educating consumers on recycling awareness and segregation; (2) strengthening the existing packaging collection ecosystem; (3) supporting recycling programs of processors and recyclers; and (4) PRO Vietnam will also work with government in the “Recycle” aspect of 3R (Reduce, Reuse and Recycle) and through its unique voluntary, public-private partnership aims to improve livelihood conditions and create jobs for individuals and businesses working on post-consumer packaging. Besides, PRO Vietnam will also coordinate with research centers of universities to find out the most suitable solutions for the environment of Vietnam.

Mr. Pham Phu Ngoc Trai, who is nominated to be the Chairman of PRO Vietnam, states, “We believe to sustain business growth we have to be committed to the society and the environment, contributing towards a clean, green and beautiful Vietnam.”

The founding members of PRO Vietnam unite towards a mission “The PRO Vietnam’s ambition is that, by 2030, all packaging material put into the market by its members shall be collected for recycling.”

PRO Vietnam was established thanks to the process of contributing ideas from the companies’ CEOs months ago with many meetings and received voluntary supports from many organizations including media such as VTV24, Vnexpress online newspaper and Facebook for digital media. PRO Vietnam is supported with technical advice from GA Circular, a non-profit social enterprise based in Singapore.

PRO Vietnam welcomes more companies and stakeholders in Vietnam to join this initiative. The fundamental principle of PRO Vietnam is that we believe if we all work together, on common recycling goals, we can achieve faster and better results than working independently.
FACT SHEET RELATED TO PRO VIETNAM

ABOUT PRO VIETNAM
PRO Vietnam is a voluntary, not-for-profit initiative to improve packaging collection and recycling among participating brand owners and other stakeholders. PRO Vietnam exists to ensure that product safety and availability are balanced with sustainable packaging collection and recycling, to make Vietnam clean, green and beautiful.

- **Vision:** PRO Vietnam will contribute to a clean, green and beautiful Vietnam by driving the circular economy and making recycling more accessible and sustainable.
- **Ambition:** PRO Vietnam’s ambition is that, by 2030, all packaging material that its members put into the market is collected for recycling.

One of PRO Vietnam’s Operating Principles: “Antitrust”
“During the meeting or discussions, the parties shall not enter into any discussion, activity or conduct that may infringe any applicable competition law. By way of example, participants shall not discuss, communicate or exchange any commercially sensitive information, including information relating to prices, marketing and advertising strategy, terms of supply, trade programs or distribution strategy”

ENVIRONMENTAL IMPACT: PRO Vietnam aims to contribute towards a green, clean and beautiful Vietnam

Key points:
- Based on World Bank data, municipal solid waste in Vietnam is forecasted to increase from 11.6 million tons in 2016 to 15.9 million tons in 2030. This is the 4th largest growth in solid waste among ASEAN countries.
- Based on research published in Science in 2015, total plastic waste mismanaged in Vietnam was 1.8 million tons. Of this 280,000 tons leaks into the oceans, giving Vietnam the 4th rank globally among countries leaking the most plastics into the oceans.
- As of 2018, based on data from Financial Times, Vietnam imported 80% of the scrap plastics feedstock for its plastics recycling industry. Imports from G7 countries which amounts to 254,000 tons account for most of these imports.
- As of 2018, based on data from Research Institute of Pulp and Paper Industry, Ministry of Trade and Industry, Vietnam imported 57% or 2.1 million tons of the scrap paper feedstock for its paper recycling industry.
- As various countries around Asia, including China, Thailand, Malaysia as well as Vietnam begin to put import restrictions for processing and recycling scrap plastics and paper (including packaging), this reliance on imports is not sustainable.
● There is a need to bring a strong domestic packaging collection and recycling ecosystem which is resilient to the fluctuations and shocks of the global commodity prices for these materials and which can reduce packaging leakage and marine debris.
● Manufacturing with recovered materials rather than virgin resources typically reduces energy consumption and greenhouse gas emissions.
● Many manufacturers and brand owners have made investments that require the use of recycled feedstocks, so recycling is needed to avoid supply disruptions which can put companies at risk.

ECONOMIC IMPACT: PRO Vietnam aims to drive a Circular Economy for packaging
Key points:
● Packaging in Vietnam today is mostly reliant on a linear economy model, where packaging is produced from virgin packaging materials, consumers use these packaging and after use these packaging ends up in landfills or at times leaks into the open environment.
● The processing and recycling industry is heavily reliant on imports for feedstock. For e.g.
  ○ As of 2018, based on data from Financial Times, Vietnam imported 80% of the scrap plastics feedstock for its plastics recycling industry. Imports from G7 countries which amounts to 254,000 tons account for most of these imports.
  ○ As of 2018, based on data from Research Institute of Pulp and Paper Industry, Ministry of Trade and Industry, Vietnam imported 57% or 2.1 million tons of scrap paper feedstock for its paper recycling industry.
● PRO Vietnam aims to create a circular economy model for packaging by the year 2030 by partnering with the formal recycling industry to increase collection, support the informal collection sector in addition to providing education and awareness to drive behaviour change.
● PRO Vietnam will support local recycling of post-consumer packaging produced in Vietnam including downcycling applications and given the right regulatory conditions and technology also the development of local food-grade applications for recycled packaging products to create a closed-loop.
SOCIAL IMPACT: PRO Vietnam aims to drive collection efforts that support the informal sector and strengthen the recycling industry

Key points:

- PRO Vietnam aims to increase recycling awareness and outreach, work with the public sector to increase drop off location points, improve collections and ensure enough recycling capacity exists to process what is consumed in Vietnam.
- Through these activities PRO Vietnam will reduce litter, give new life to post-consumer packaging and create plentiful jobs.
- PRO Vietnam will also support the many people working in formal and informal post-consumer packaging collection by engaging with them in activities. Ho Chi Minh City is estimated to have over 12,000 formal and informal individual collectors who collect post-consumer packaging.
- Recycling uses local resources that are otherwise be wasted, providing jobs and tax revenue
- Recycling creates significantly more jobs than waste disposal activities.
ABOUT THE FOUNDING MEMBER COMPANIES

Coca-Cola Vietnam
Coca-Cola - as a total beverage company has continuously invested in diversified and innovative portfolio. Every year we invest significantly for sustainable development programs in water, women, well being and waste management. For more details, please find out more about Coca-Cola Journey Vietnam at: https://www.cocacolavietnam.com/

FrieslandCampina
FrieslandCampina, one of the world’s largest dairy companies, set up its business in Vietnam in 1995. The Company is currently supplying over 1.5 billion high quality milk units every year to Vietnamese consumers and strongly committed to contribute to the sustainable development of the country. https://www.frieslandcampina.com/

La Vie
La Vie became an official member of Nestlé Water since 1992. For 25 years, La Vie has constantly strived to develop and provide the best products & services for consumers. Besides business operations, the company also puts effort to take care of our shared water resources and aims at zero environmental impact of the packaging. https://www.laviewater.com/

Nestlé Vietnam
Swiss-based Nestlé Vietnam is committed to enhancing the quality of life and contributing to a healthier future, listed in top ten sustainable companies with a long-term vision to Vietnam’s sustainable and inclusive development. https://www.nestle.com.vn/

NutiFood
Established since 2000, NutiFood has always pioneered in researching and manufacturing specific milk lines and served the daily nutritional needs of every family, actively implemented social responsibilities for the community and the environment. http://www.nutifood.com.vn

Suntory PepsiCo Vietnam
Suntory PepsiCo Vietnam Beverage is a strategic beverage alliance between Suntory and PepsiCo, leading the Vietnam beverage industry with a diverse portfolio. Following the corporate value of “Giving back to Society”, the company is committed to being “In Vietnam – For Vietnam – With Vietnam”. https://suntorypepsico.vn

Tetra Pak Vietnam
Tetra Pak is the world’s leading food processing and packaging solutions company. Working closely with our customers and suppliers, we provide safe, innovative and environmentally sound products in more
than 160 countries. Our motto, “PROTECTS WHAT’S GOOD™,” reflects our vision to make food safe and available, everywhere. More information is available at www.tetrapak.com

TH Group
TH is a leading producer of fresh milk, other dairy products, healthy beverages, healthy food, vegetables and medicinal plants in Vietnam, with the operating principle of “Treasure the Mother Earth” for sustainable development. Among the core values of TH’s products are "TRULY NATURAL" and “FOR PUBLIC HEALTH”. http://www.thmilk.vn/

URC Vietnam
URC Vietnam, the leading Filipino food and beverage manufacturer of well-known brands such as C2, Rong Do, Cream-O... has started operations in Vietnam since 2003. The company has adopted sustainability strategy called “Our Purposeful Transformation” based on five focus areas – Natural Resources, People, Product, Supply Chain, and Economic. This is our priority in the journey offering safety and quality products to consumers. https://urc.com.vn

Technical Advisor: GA CIRCULAR
Founded in 2011, GA Circular is a research and strategy consultancy and certified social enterprise focused on providing circular economy solutions to packaging and food waste across 11 countries in Asia. https://www.gacircular.com/

For more information about PRO Vietnam, please contact: info@provietnam.com.vn