



Press Release

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Environment Ministry to accelerate the transition to a circular economy throughout the entire process of production, consumption, and recycling

– Annual work plans for resource circulation for 2023–

Sejong, February 07 – On January 31, 2023, the Ministry of Environment (ME, Minister Han Wha-jin) announced its annual work plans for resource circulation for 2023.

The 'Act on the Promotion of Transition to a Circular Economy and Society (full revision of the Framework Act on Resources Circulation)' was promulgated on December 31, 2022. Accordingly, the Ministry of Environment will pursue a transition to a circular economy¹ in the entire process of production, consumption, and recycling in 2023.

Under the goal of 'realizing a sustainable and safe circular economy and society for the people,' this year's plan consists of four core tasks:

- Strengthening the foundation for implementing a circular economy.
- Reducing plastics based on participation/alternative services.
- Transitioning to complete recycling.
- Preventing illegal dumping and waste management companies from refusing to collect waste.

¹ Circular economy: An eco-friendly economic system that minimizes input resources and energy by increasing product sustainability and establishing a circular network of wasted resources

Strengthen the foundation for implementing a circular economy

The Ministry of Environment will establish detailed provisions for the new system² to implement the 'Act on the Promotion of Transition to a Circular Economy and Society.'

The Ministry plans to boost the recycling rate of useful waste resources. It will select proven safe items, recognize them as circular resources, and publicly announce them.

The Ministry will also prepare the operational regulations³ for a regulatory sandbox for the quick application and introduction of technologies and services to achieve a new circular economy. When a regulatory sandbox is implemented, procedures, such as approving new technologies and services for a circular economy, can be processed more quickly by obtaining special demonstration or provisional permits even before establishing the relevant regulations.

The Ministry plans to set standards for durability, repairability, securing spare parts, and delivery deadlines for the sustainable use of products. The Ministry will prepare targets for application and matters to be observed in 2023 after discussing with stakeholders such as manufacturers, civic groups, and experts.

The Ministry will organize stakeholder forums for key sectors to achieve a circular economy, such as plastics and waste resources (used EV batteries, rechargeable batteries, etc.), to enhance stakeholder communication. The Ministry will establish new industries, such as those related to reusable containers. To do that, the Ministry plans to introduce a certification for reusable containers and related services and kick-start the initial market by supporting purchases, rentals, and washing expenses for reusable containers at restaurants (2023, 6.9 billion won).

The Ministry plans to build a post-plastic cluster (completed by 2024 in Saenggok, Busan) to support developing and commercializing technologies for reducing and recycling plastics. It will also plan for research and development for technologies concerning the entire life cycle of plastics. In addition, the Ministry will establish data for real-time management from discharging to recycling of used batteries. It will also build a cluster for developing and demonstrating recycling technologies of used batteries (completed by 2025 in Pohang) and support the development of preprocessing technologies for used solar panels that are difficult to recycle (2022~2024, 3.3 billion won).

² ❶ Notification of circular resources, introduction of a regulatory sandbox, etc. (January 2024) ❷ Implementation of compliance principles, such as improved repairability, and efforts to reduce distribution packaging materials, etc. (January 2025)

³ ❶ Organization and operation of a new technology/service deliberation committee, ❷ Request for prompt confirmation of licensing regulations and collective processing, ❸ Evaluation standards and procedures for special regulations and provisional permits, etc.

Reduce plastics based on participation and alternative services

The Ministry of Environment will improve its policies to reduce the use of disposables in a way to minimize the inconvenience and burden of the people while increasing the reduction effect.

The Ministry continues expanding behavioral change campaigns (from November 2022). Those campaigns include no disposable items in stores such as restaurants and not providing disposable items set as default options for kiosks and delivery apps. The Ministry will also prepare guidelines on the thickness and material of disposables to reduce the amount of plastic used in disposables and improve recyclability.

The Ministry will expand its support for the disposable cup deposit-refund system implemented in Sejong and Jeju to settle the system more quickly. The number of disposable cup returns has continued to increase since implementing the system on December 2, 2022. From January 1, 2023, consumers receive an additional 200 won (carbon neutrality action points) to the deposit (300 won) when they return disposable cups. The Ministry also supports label shipping costs for participating stores and expands return locations outside stores (60 locations in Sejong and over 100 locations in Jeju).

The Ministry announced an amendment to the 'Enforcement Rules of the Act on the Promotion of Saving and Recycling of Resources' from January 20 to March 2, 2023, so that the head of local governments can add items subject to the deposit system to local government ordinances according to the local situation.

Incineration → Complete recycling (substances and chemical raw materials)

The Ministry of Environment plans to improve separation and discharge guidelines and provide relevant information.

While automating sorting facilities and improving old facilities, the Ministry will explore measures to simplify ways of discharging items with less need for separating according to the development of the sorting and recycling processes. At the same time, it will support the high-quality recycling of items newly required for separation. The Ministry will create an integrated website to provide information on the separation and discharge of waste, such as discharging locations and fees for each region, and prepare specific guidelines.

The Ministry plans to convert recycling for incineration, centered on heat recovery and fuel usage, into high-value-added substances and chemical (pyrolysis) recycling. The Ministry will support the development of raw material/fueling technologies for waste plastics (49.2 billion won from 2022 to 2025) and increase the unit price of recycling subsidies for material/chemical recycling companies.

The Ministry will increase publicly-owned pyrolysis plants (6 in 2023). The Ministry will set methods for calculating recycling performance and standards for exemption so that plastic products using pyrolysis oil can be exempted from waste charges. The Ministry will mandate plastic manufacturers (PET over 10,000 tons/year) to use recycled raw materials (3% in 2023 → 30% in 2030) and prepare a labeling system for using recycled raw materials. The Ministry will set up guidelines to encourage the purchase of products using recycled raw materials by public institutions.

The Ministry of Environment will provide as differentiated grants some of the collected waste disposal charges by cities and provinces from 2023. Until 2022, the government provided grants for 70% of the waste disposal charges collected by cities and provinces in a lump sum. However, from 2023, up to 90% will be granted to local governments that reduce incineration and landfill per capita.

Prevent illegal dumping and waste management companies from refusing to collect waste

The Ministry of Environment plans to prevent illegal dumping by establishing an 'intelligent waste management system (hereinafter intelligent system)' that collects the amount of handover/takeover of waste, GPS data, weighing data, and CCTV images from waste management companies in real-time. Starting with construction waste management companies in 2022, the Ministry will expand the application of the intelligent system to all industrial waste treatment companies by 2024.

< Overview of intelligent waste management system >

Stage	Current Information	Additional information collected
Transport	○ Amount of handover and takeover (entered by the transporter)	○ GPS data ⇒ To check stopovers and abnormal routes

Import	○ Amount of handover and takeover (entered by the processor)	⇒	○ Weighing data and CCTV information ⇒ To prevent tampering and check missing takeover amounts
Storage	○ Waste ledger (prepared by the processor)		○ Storage facility CCTV information ⇒ To check compliance with storage standards

The Ministry of Environment will expand public intervention to prevent waste management companies from refusing to collect waste (waste paper, plastic agricultural films, etc.) whenever the recycling market stagnates. The Ministry plans to introduce and gradually expand public collecting responsibilities, in which local governments directly collect (or sign outsourcing contracts) for items highly likely to be rejected to collect by the waste management companies, such as waste paper. The Ministry will establish an information system covering the entire process of household waste treatment where people can check the amount of domestic waste brought in and out in real-time (2022-2025). Since 2022, the Ministry has been installing terminals to check the amount of waste in and out of 50 public sorting facilities. In 2023, it plans to install 1,900 sorting, incineration, and landfill facilities.

Kim Seung-hee, Director-General of the Resources Circulation Bureau, said, "As the Ministry in charge of circular economy, the Ministry of Environment will prepare to implement the 'Act on the Promotion of Transition to a Circular Economy and Society' established in 2022, and strive to ensure that the resource circulation policies and systems to work. We ask people for interest and participation."