



Advancing waste management solutions

PETALING JAYA: Waste management is an outstanding problem in Malaysia as it outpaces the country's recycling rate.

Khazanah Research Institute estimated that in 2022 the waste generated in our country will be nearly 15 million tonnes. The amount of waste is only seeing an uptrend, growing at a nine-year compound annual growth rate of almost 2%.

"The waste generated in our country over the course of one week is enough to fill the Petronas Twin Towers. That's a tremendous amount," said UOB senior vice-president E-Waste Recycling – Technology, Media & Telecommunications, Sector Solutions Group Kenny See To.

The recycling rate of Malaysia in 2020 was estimated to be 36.67%, a lower rate compared with neighbouring countries Singapore, Taiwan, Korea and Thailand at 59%, 60%, 49% and 34% respectively.

"You might think that 36.67% is actually not a bad figure, but that is incorrect as this recycling rate merely points to the amount of waste that has been collected and due to go to the landfill.

"A lot of waste that is generated is not recorded and is dumped illegally into the sea or onto the side of the road," said To in his presentation at the conference.

The target set by the government aimed to reach a 40% recycling rate by 2020.

However, the target has been pushed back to 2025 as Malaysia has fallen short of the target by 10%.

In light of this, the government in the roll-out of the 12th Malaysia Plan highlighted advancing sustain-



Green financing: To and Chen presenting at the virtual conference.

ability as one of its three key themes.

This is built upon circular economy and integrated water resource management as its two game changers.

"Advancing sustainability focuses on advancing green growth, and ensuring constant energy sustainability as well as transforming the water sector. It also reflects a continuous commitment towards environmental sustainability and resilience of the nation along with access and security to energy and water," said To.

The extensive plan involved private and public stakeholders to generate awareness and accumulate on-the-ground information to improve design and manufacturing. "This is an often overlooked item.

It is about how we improve the manufacturing process to make it more efficient by using less resources, energy, and water.

"It is also important to design products using sustainable raw materials that are easily broken

down and recycled," said To.

Additionally, the plan also adopted the extended producer responsibility (EPR) approach to reduce dependency on raw materials.

"Firstly, the government aims to reduce greenhouse gas emissions intensity up to 45% by 2030 and increase the recycling rate of household waste by 40%.

"Secondly, it targets to increase green financing investments, businesses and jobs and change the mindset and behaviour of the population and industry players to adopt green practices," said To.

UOB has generated an extensive sustainability framework, mainly in metal, plastic recycling and e-waste management, as part of their green initiatives.

In 2019, it was estimated that Malaysia produced roughly more than 360 tonnes of e-waste of which 25% was collected and properly recycled while 75% remained undocumented. E-waste that is not properly disposed can pollute

groundwater for years to come, with heavy metals.

"There is also a huge economic value when the raw materials in e-waste are recovered by being recycled properly. The amount of heavy metals, including plastics, has an estimated value of US\$3bil (RM13.35bil) in 2019 itself," said To.

Across all its key markets, extensive solutions have been rolled out to cover producers of e-waste, and recyclers under the EPR scheme, and also the IT Asset Disposal (ITAD) industry players: service providers, resellers and recyclers.

In e-waste management, companies governed by the 3Rs (Reduce, Reuse, Recycle) will buy used stocks from telecommunication companies or brand owners who will obtain these stocks through their take-back programmes. They also have direct supply contracts with brand owners for spare parts to refurbish the handsets.

"We have successfully provided a tremendous amount of banking facilities to these companies in terms of helping them buy these materials and also eventually process it increasing the capability and funding their capital expenditure," said To.

Other than e-waste, the presentation also highlighted the group's initiatives in metal recycling, particularly aluminium. UOB offers green financing to their customers to purchase scrap metals.

"We will help the client work something out as part of green trade finance, which not only benefits the client but the bank as well," said UOB senior vice-president Metals Recycling – Industrials, Sector Solutions Group, Jeffrey Chen.