

Sustainability

## Resource Sustainability (Amendment) Bill Proposes Regulations to Reduce Packaging and Food Waste

### Introduction

On 6 February 2023, the [Resource Sustainability \(Amendment\) Bill](#) ("**Bill**") was tabled for First Reading in Parliament. The Bill seeks to amend the Resource Sustainability Act 2019 ("**Act**"), which was enacted in October 2019 to address three priority waste streams (e-waste, packaging waste and food waste).

The Bill proposes to amend the Act in these key areas:

- For packaging waste: (i) require registered retailers (prescribed supermarkets, for a start) to collect a charge for each disposable carrier bag provided to customers; and (ii) provide for a beverage container return scheme ("**BCRS**"); and
- For food waste: require (i) segregation and treatment of food waste generated in prescribed buildings; and (ii) reporting on the treatment of food waste.

The proposed amendments aim to reduce packaging and food waste in Singapore. These measures contribute to national targets under the Singapore Green Plan 2030 and the Zero Waste Masterplan. Accompanying the introduction of the Bill, the National Environmental Agency ("**NEA**") and the Ministry of Sustainability ("**MSE**") released a [joint media release](#) ("**Media Release**") to explain the proposed amendments. The Bill is slated for a Second Reading at the next available sitting on or after 20 March 2023.

We briefly highlight the key amendments introduced by the Bill and how they would be significant to your business.

### Disposable Bag Charge Framework

The Bill introduces a new disposable bag charge framework under which a regulated retailer who exceeds a prescribed annual turnover threshold for its class must be registered ("**Registered Retailers**"). Registered Retailers must impose and collect a prescribed minimum charge on each disposable carrier bag it provides to customers. Additionally, Registered Retailers must publish information such as the number of disposable carrier bags provided, the total amount of charge collected, and how and where charge proceeds have been applied (e.g. support of charitable or environmental causes). The effect of these measures is that Registered Retailers are to meet a higher level of accountability and transparency in the use of these charge proceeds.

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According to the Media Release, the disposable carrier bag charge will take effect mid-2023 and as a start, will be imposed on supermarket operators with an annual turnover of more than \$100 million. This covers about two thirds of all supermarket outlets in Singapore, including NTUC FairPrice, Cold Storage, Giant, Sheng Siong, and Prime supermarket outlets. Such supermarket operators will be required to charge a minimum of five cents for each disposable carrier bag provided to shoppers at their physical stores. Supermarket operators with an annual turnover of less than \$100 million will be encouraged to implement their own bag charges on a voluntary basis.

Registered Retailers must note the implementation timelines and, importantly, the reporting requirements, which will require internal business processes (including compliance processes) to be updated and decisions to be made as to the application of the charge proceeds.

The disposable bag charge framework has been developed after extensive consultations with the industry and the public. For background, please refer [here](#) for NEA's responses to its public consultation held between 27 January 2022 to 17 February 2022 on the proposed framework.

### Beverage Container Return Scheme (BCRS)

The Bill introduces a BCRS, which requires producers of beverage products to join a producer responsibility scheme for beverage containers ("**Licensed Scheme**") and pay to the scheme operator an amount as a deposit for each beverage product supplied in Singapore. Any person may obtain the refund of the deposit by returning the container of the beverage product at a return point, which is either (i) operated by the scheme licensee; or (ii) managed by the scheme licensee through a return point operator.

With regard to the above, the amendments now require that any person (including producers) supplying, or offering to supply, a beverage product in Singapore can do so only if the beverage product is affixed with a deposit mark and a barcode identifying the beverage product. Additionally, producers must be a member of the Licensed Scheme before they are allowed to supply, or offer to supply, any beverage product that is affixed with such deposit mark, and must pay the requisite amount of deposit, failing which NEA may direct the producer to stop supplying beverage products. There are also penalties involving fines or imprisonment, or both, for violation of these requirements, depending on the specific contravention.

Producers of beverage products as well as any person supplying them must note their new obligations and ensure that any beverage products supplied are affixed with the relevant marks and barcodes, amongst other things. Given this, it is critical for such persons and their suppliers upstream to ensure that the new requirements are properly reflected on the packaging well in time to ensure no disruption to the supply chain.

The BCRS has been developed after extensive consultation by NEA and MSE with the public and industry. For further background on the scheme and these consultations, please refer [here](#).

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## Food Waste Segregation, Treatment and Reporting Requirements

Currently, Part 5 of the Act imposes requirements on segregation and treatment of food waste. The Bill repeals the existing Part 5 of the Act (which has not come into effect) and replaces it with a new Part 5. Under the new Part 5, an occupier of a prescribed building (or part thereof) must comply with requirements on segregating and treating food waste generated in that building. For instance, an occupier must segregate food waste from other waste and dispose of the segregated food waste in a specified manner. Separately, a building manager of a prescribed building must provide facilities to enable occupiers to segregate and dispose of food waste separately from other types of waste.

The Bill also introduces reporting requirements on treatment of food waste. Amongst other things, a building manager of a prescribed building must submit a report to NEA containing specified information relating to food waste treated, and an occupier of a prescribed building must submit to the building manager a report which sets out the food waste that NEA has approved the occupier to treat.

According to the Media Release, the requirement to segregate food waste for treatment will take effect in 2024. This will affect owners and operators of commercial and industrial premises, where large amounts of food waste are generated. Such premises include large hotels, shopping malls, and industrial developments housing food manufacturers or food caterers. More details on the types of prescribed premises that are subject to the mandatory segregation requirement may be found [here](#) (on the MSE website).

Prescribed persons hence must note their obligations and prepare to implement necessary changes to their business. These will involve not only changes to reporting processes but potentially also changes to their physical facilities.

## Concluding Words

The amendments proposed in the Bill will significantly impact supermarket operators and producers of beverages, as well as occupiers and building managers of certain premises that generate large amounts of food waste. They will involve greater compliance obligations that involve changes including labelling of products, new contractual relationships with scheme providers, the physical layout of facilities, and reporting requirements. Given increasing regulatory and commercial scrutiny over sustainability matters, businesses must carefully assess the obligations that apply to them and carefully implement such measures required to meet those obligations well within time.

If you have any queries on the above developments, please feel free to contact our team members below.

## Sustainability

In full support of the Singapore Government's efforts to champion green and sustainability practices in Singapore and the region, Rajah & Tann Singapore has a Sustainability Practice which comprises multi-disciplinary specialist teams who can advise you on the adaptation of your business to take into account sustainability and ESG (environmental, social and governance) issues.

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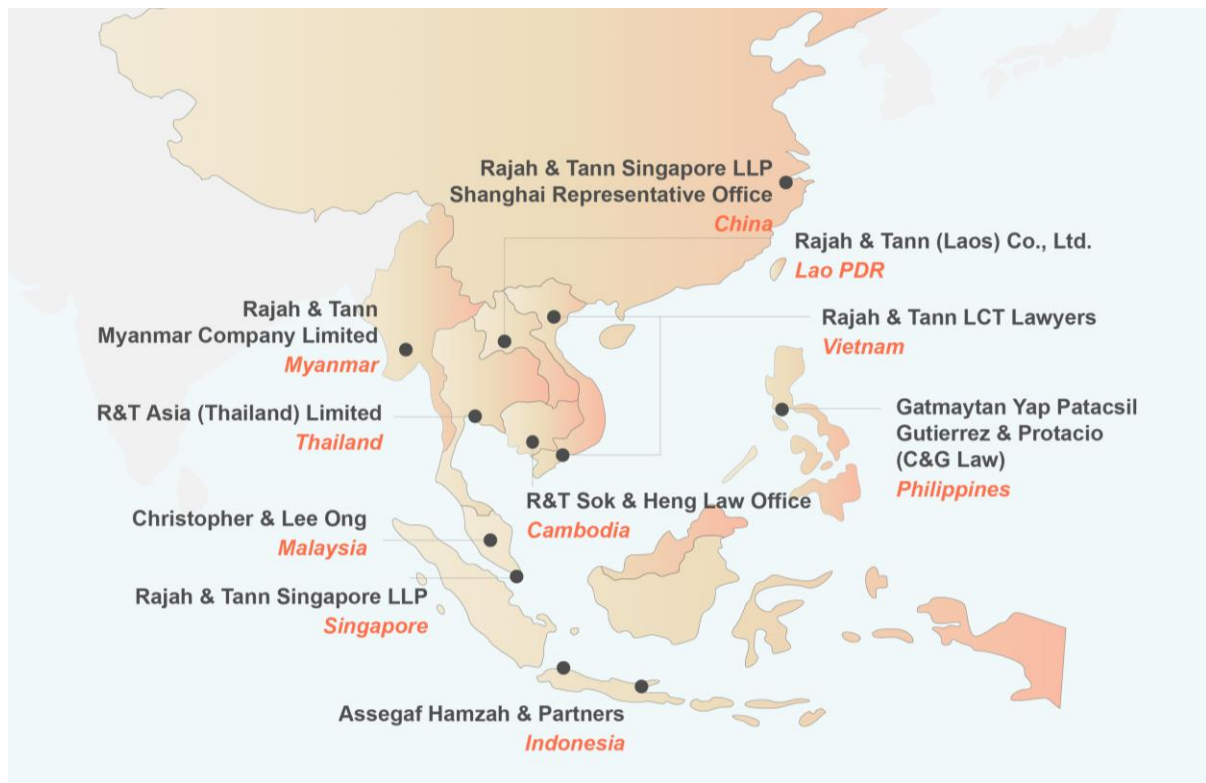
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