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Hanoi, December 28, 2016

## **CIRCULAR**

### **The Quota On Energy Consumption Of The Plastic Industry**

*Pursuant to the Government's Decree No. 95/2012/ND-CP dated November 12, 2012 on the functions, missions, authority and organizational structure of the Ministry of Industry and Trade;*

*Pursuant to the Law on economical and efficient use of energy dated June 28, 2010;*

*Pursuant to the Government's Decree No. 21/2011/ND-CP dated March 29, 2011 on details and measures for the implementation of the Law on economical and efficient use of energy;*

*At the request of the Head of the General Directorate of Energy;*

*Minister of Industry and Trade promulgates a Circular to provide the following regulations on the quota on energy consumption of the plastic industry.*

## **Chapter I**

### **GENERAL PROVISIONS**

#### **Article 1. Scope**

1. This Circular regulates the quota on energy consumption of the plastic industry for the period that extends up to 2020 inclusive, and the period that extends from 2021 to 2025 inclusive with respect of the following products:

- a) Packaging plastics include plastic bags, plastic bottles and plastic packaging.
- b) Plastic building materials include plastic materials used in the construction industry which are manufactured through the extrusion process, excluding building materials which are the composites of plastic and other materials (such as plastic doors with steel core or aluminum-coated plastic sheets, etc.).
- c) Household plastics/ Engineering plastics include household plastic products and engineering plastic products which are manufactured through the spray lay-up process.

#### **Article 2. Regulated entities**

This Circular applies to producers of plastic products and other agencies and organizations concerned.

### Article 3. Interpretation of terms

1. *Specific energy consumption (SEC)* is the total energy consumed for the manufacture of one unit mass of product.

2. *Quota on energy consumption* is the progressive specific energy consumption (SEC) corresponding to each period specified in this Circular.

## Chapter II

### QUOTA ON ENERGY CONSUMPTION AND SOLUTIONS FOR ENHANCING THE ENERGY CONSUMPTION EFFICIENCY OF THE PLASTIC INDUSTRY

#### Article 4. Methods for determining specific energy consumption

Specific energy consumption (SEC) in the plastic industry is determined by adopting the methods specified in the Appendix I enclosed herewith.

#### Article 5. Quota on energy consumption

1. The quota on energy consumption applicable to plastic products during the period that extends up to 2020 inclusive:

Packaging plastics (kWh/kg)			Plastic building materials (kWh/kg)	Household plastics/ Engineering plastics (kWh/kg)
Bags	Bottles	Packaging		
0.7	1.96	0.79	0.46	1.27

2. The quota on energy consumption applicable to plastic products during the period that extends from 2021 to 2025 inclusive:

Packaging plastics (kWh/kg)			Plastic building materials (kWh/kg)	Household plastics/ Engineering plastics (kWh/kg)
Bags	Bottles	Packaging		
0.55	1.45	0.62	0.35	1.00

## **Article 6. Requirements for compliance with the quota on energy consumption**

1. Producers of plastic products must ensure that the specific energy consumption shall not exceed the quota on energy consumption prescribed in Clause 1 and Clause 2 Article 5 of this Circular.
2. If the specific energy consumption of a producer of plastic products exceeds the quota on energy consumption in a corresponding period specified in Clause 1 and Clause 2 Article 5 of this Circular, such producer must formulate and adopt solutions that heighten the efficiency in the use of energy so as to conform the quota on energy consumption prescribed in Clause 1 and Clause 2 Article 5 of this Circular.
3. The specific energy consumption of a new investment project shall not exceed the values specified in Clause 2 Article 5 of this Circular.

## **Article 7. Certain solutions for enhancing the energy consumption efficiency of the plastic industry**

1. The formulation and implementation of solutions for enhancing the energy consumption efficiency of the plastic industry must take the full advantage of managerial and technological solutions.
2. Producers of plastic products are encouraged to comply with the advanced energy management standards and adopt solutions for enhancing the energy consumption efficiency of the plastic industry specified in the Appendix II enclosed with this Circular.

### **Chapter III**

#### **IMPLEMENTATION**

## **Article 8. Responsibilities of the General Directorate of Energy**

1. Lead and cooperate with relevant agencies in guiding, supervising and inspecting the implementation of this Circular.
2. Cooperate with Provincial Departments of Industry and Trade in inspecting the compliance with the energy quota and the feasibility of plans for adhering to the energy quota according to the regulated schedule.
3. General Directorate of Energy, on the basis of such inspections, reports to the Minister of Industry and Trade about entities failing to comply with regulations in Article 5 of this Circular and proposes remedial actions as per current laws.

## **Article 9. Responsibilities of Provincial Departments of Industry and Trade**

1. Cooperate with the General Directorate of Energy in guiding, expediting and inspecting the economical and efficient use of energy according to this Circular.

2. Supervise, on annual basis, the inspection of the adherence to the energy quota and the feasibility of the local plastic product producers' plans for abiding by the quota on energy consumption according to the regulated schedule (in case of the producers that have failed the quota).

3. Submit consolidate report on the local producers' abidance by the energy quota on the plastic industry to the General Directorate of Energy and the Ministry of Industry and Trade by the 31<sup>st</sup> of January every year according to Appendix III enclosed with this Circular.

#### **Article 10. Responsibilities of producers and entities**

1. Entities operating in the plastic industry shall formulate plans for complying with regulations in Article 6 of this Circular.

2. By the 15<sup>th</sup> of January every year, producers of plastic products shall be responsible for reporting to Provincial Departments of Industry and Trade about their abidance by the specific energy consumption in previous year in accordance with regulations in Appendix IV enclosed with this Circular.

3. If a producer of plastic products may not determine its specific energy consumption for the reporting period, such producer shall assume responsibility to install power meters for ensuring the accuracy of its specific energy consumption and report its specific energy consumption for the remaining period of the year in compliance with regulations in Clause 2 of this Article.

#### **Article 11. Effect**

1. This Circular comes into force as of February 10, 2017.

2. Difficulties ensuing during the process of implementation shall be promptly reported to the Ministry of Industry and Trade for review and revision of the Circular./

**PP MINISTER  
DEPUTY MINISTER**

**Cao Quoc Hung**

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