Malaysia The state of Penang

Malaysia

Collaboration Program with the Private Sector for Disseminating Japanese Technology for Mercury Contained Waste Processing in Malaysia Final Report

October 2017

Japan International Cooperation Agency (JICA)

Nomura Kohsan Co., Ltd.

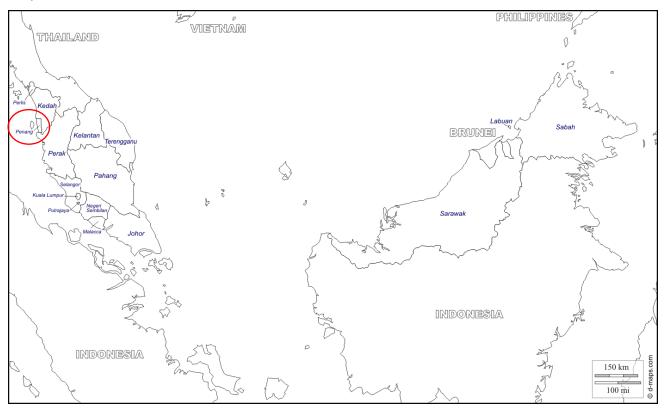
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Contents

	n Summary of the report	
±	mmary	
1.1.1	Background of the project (including development goals of the recipient country)	1
1.1.2	Technology to be promoted and applied by the project	1
1.1.3	Goals and objectives of the project	1
1.1.4	Contents of the project	1
1.1.5	Expected results and output of the project	1
1.1.6 under o	Future prospects on business development at the current stage (decision to launch consideration, unenforceable)	
1.1.7	Justification of business profitability	2
1.1.8	Remaining challenges for business development and foreseeable measures	2
1.1.9	Possibility of cooperation with Japan's ODA program	2
1.2 Pro	ogram outline	3
-	Background of the project development issues	
2.2 Techr	nology to be promoted and applied to address local issues of development	4
$2.2.1~\mathrm{D}$	etails on technology to be promoted	4
$2.2.2\mathrm{A}$	pplicability to addressing local issues of development	5
	Outline of the project and objectives of the project	
3.1.1 O	bjectives and basic direction of project implementation	5
	oals of the project (contribution to addressing local issues of development in the nt cities, region and country)	5
$3.1.3~\mathrm{G}$	oals of the project (concerning business development)	6
3.2 Conte	ents of the project	6
3.2.1 P	roject schedule	6
3.2.2 Se	chedule	7
	Field work (Omitted)	
	Project summary (results of implementation and review) ct outcomes (contribution to recipient cities, region and country)	
	ct outcomes (business development), remaining challenges and direction to solve	
•	······································	8
$5.2.1~\mathrm{Pr}$	roject outcomes on business	8
$5.2.2~\mathrm{C}$	hallenges and direction of solution	9

Chapter 6 Further business development after the project 6.1 Goals and objectives of the business	
6.1.1 Expected outcomes of business development (contribution to recipient of and country on social/economic development)	
6.1.2 Expected outcome of business (business development)	11
6.2 Business plan	11
6.2.1 Outline of the business	11
6.2.2 Target of the business	
6.2.3 Business formation	
6.2.4 Business implementation schedule	13
6.2.5 Investment and finance	13
6.2.6 Competitors	13
6.2.7 Challenges of the business and direction to solve challenges	14
6.2.8 Foreseeable risks and countermeasures	14
6.3 Possibility of cooperation with Japan's ODA program	15
6.3.1 Justification of cooperation with ODA	15
6.3.2 Expected cooperation scheme	15
6.3.3 Specific issues of cooperation	

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Abbreviation

Abbreviation	Description
DOE	Department of Environment
GEC	Global Environment Center Foundation
GEF	Global Environment Facility
JACTIM	The Japanese Chamber of Trade & Industry, Malaysia
JETRO	Japan External Trade Organization
JICA	Japan International Cooperation Agency
MIA	Minamata Initial Assessment
MOE	Ministry of the Environment
NRE	Ministry of Natural Resources and Environment
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme

Chapter 1 Summary of the report

1.1 Summary

1.1.1 Background of the project (including development goals of the recipient country)

The state of Penang in Malaysia has proactively promoted material recycling and environmental conservation through various activities, in which citizens have actively taken part. Some local enterprises have also launched e-waste recycling businesses. During a meeting with private sector companies at the Penang Green Carnival in 2014, Mr. Phee Boon Poh, the State Minister of the Environment, expressed his idea to support not only the private sector, including Shan Poornam Metals who are working with mercury contained in FL lamps and batteries, but to also mediate communication with the central government, since the issue is a priority for the state of Penang.

1.1.2 Technology to be promoted and applied by the project

Initially, the project aimed to introduce a series of mercury processing technologies to locally recycle collected glass and metal materials after the removal of mercury from used FL lamps, used batteries, sphygmomanometers and thermometers, which would be discharged as industrial waste or general waste from households.

- 1.1.3 Goals and objectives of the project
- 1.1.3.1 To obtain consent from local stakeholders regarding the capacity and specifications of an intermediary processing plant to be installed in Penang
- 1.1.3.2 To improve the capacity of the state government in order to smoothly implement the intermediary processing of used FL lamps and used batteries
- 1.1.3.3 To introduce outcomes of the project to the international community through UNEP/GEF projects in order to formulate regional networks for chemical substances and to introduce a referable case through the network
- 1.1.4 Contents of the project
- 1.1.4.1 Study tour to Japan, objectives and tour outline

A study tour to Japan was planned as a training program for local bureaucrats on 1) system development concerning inspection and approval, and 2) environmental monitoring and data processing methods, which also include intermediary plant operators as recipients.

1.1.4.2 Field work, objectives and work outline

Field work by Nomura Kohsan staff was planned to 1) conduct a field survey on mercury waste, 2) promote the Minamata Convention on Mercury, 3) raise awareness on the intermediary processing plant, and 4) facilitate coordination between the project and multilateral cooperation schemes of the Global Environment Facility (GEF).

- 1.1.5 Expected results and output of the project
- 1.1.5.1 Study tour to Japan

Local bureaucrats from the state of Penang and federal government of Malaysia can enhance their understanding of hazardous waste that contains mercury and accelerate the local legislation process. Local stakeholders can deepen their knowledge and understanding on the intermediary processing plant. Accordingly, local capacity on environment impact assessments, inspections and maintenance will increase.

1.1.5.2 Field work

Field surveys on the construction of the intermediary plant can be conducted smoothly and a joint venture between Nomura Kohsan and Shan Poornam Metals can be successfully formulated. Subsequent projects funded by GEF can be developed and the acquired knowledge and experience can be replicated for the benefit of neighboring countries in the ASEAN region.

1.1.6 Future prospects on business development at the current stage (decision to launch, under consideration, unenforceable)

<Status: Under review> Since the financial feasibility study shows a promising conclusion, the development of the business is seriously being reviewed. Meanwhile, due to the delay of GEF funding to develop a subsequent project no earlier than 2018, the proposed project will only cover the area of Penang to start.

1.1.7 Justification of business profitability

Based on financial data which was confirmed / verified through field work, it was determined that the baseline scenario's internal rate of return reaches as high as 38.21%, with a payback period of approximately 3.5 years. A pessimistic scenario for the IRR is 17.48% with a payback period of 5.2 years. These figures justify the profitability of investment. Please note that these figures were acquired through repeated field surveys since very little market data on mercury waste was readily available. This made it difficult to simulate a substantial business with a high level of material recycling equivalent to the case of Japan.

1.1.8 Remaining challenges for business development and foreseeable measures

As of October 2017, the project identifies five remaining challenges: 1) appropriation of land, 2) decision to introduce electric furnaces, 3) sales force of Shan Poornam to collect used FL lamps, 4) disposal of used batteries including lithium-ion batteries and 5) legislation of a disposal fee for FL lamps in the general waste from local households. These factors are blocking the formation of a project for Nomura Kohsan to start business in Penang and/or Malaysia due to uncertainties in concrete sales activities.

1.1.9 Possibility of cooperation with Japan's ODA program

While the government of Malaysia is already a signatory to the Minamata Convention on Mercury, it may take some time for the country to ratify the convention. Taking this interval as an opportunity, Japan's ODA program may consider fielding a long-term expert to the government of Malaysia to facilitate the ratification process. This can enhance the effectiveness of the ODA program in working together with the private sector companies of Japan.

1.2 Program outline



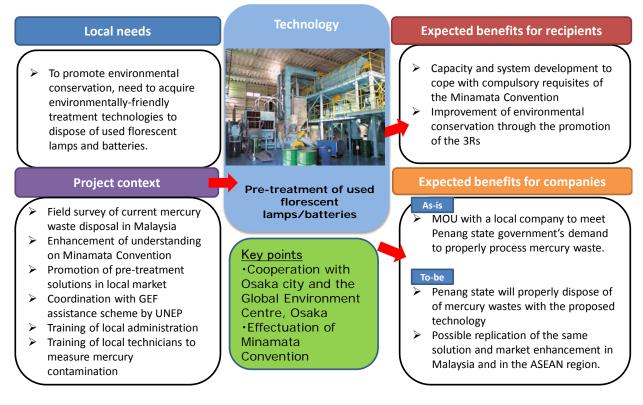


Figure 1.2 Program outline

Chapter 2 Background of the project

2.1 Local development issues

In June 2016 the state of Penang put a household garbage separation act into effect and organized awareness-raising campaigns for the citizens to enhance the understanding of local residents. Yet, it is said that the garbage separation practice has been faulty.

The residents of Penang are extremely keen to prevent health hazards and protect the environment. The government takes the initiative to organize public/private cooperation opportunities, while the citizens have committed themselves to volunteering. The government launched a pilot project to start up an e-waste collection system in the past, and overall, the state of Penang's commitment to waste management leads other states in Malaysia. Also, the introduction of the expanded responsibility of manufacturers has been on the table for discussion, and consequently, the state has led the other states in Malaysia with regard to the appropriate disposal of hazardous materials. Despite this, it has been noted that critical challenges remain, such as imbalances between economic development and environment measures or a lack of appropriate technologies to treat hazardous wastes and a qualified workforce to actually handle hazardous waste management. The state of Penang has proactively promoted material recycling and other measures for environmental protection. It has been observed that a good number of citizens and local community representatives have participated in promotional activities and local enterprises have launched material recycling businesses, including the recycling of e-waste. The Penang Environment Working Group (PEWOG), which was established as an advisory institute to the state government, also proactively promotes material recycling. PEWOG has published a guidebook with a list of material recycling companies in Penang, which helps local communities enhancing group collection services. PEWOG also promotes e-waste collection programs in cooperation with e-waste recycling companies. They have launched a joint collection scheme for FL lamps and batteries with local supermarkets, while final disposal of hazardous content has become a challenge for their activities.

2.2 Technology to be promoted and applied to address local issues of development

2.2.1 Details on technology to be promoted

The technology profile has been downscaled from its initial plan to replicate a full-sized intermediary treatment plant similar to Japan's, to a very simple combination of a small mobile lamp crusher and a rotary trammel machine which conducts dry washing of crushed cullet.



Picture 2.2.1 Mobile crusher

2.2.2 Applicability to addressing local issues of development

Hazardous waste, which includes mercury, may be mixed in e-waste recycling that is being promoted by the state of Penang. Consequently, it becomes a barrier to promoting recycling businesses due to environmental requirements. If the project can introduce optimum disposal technologies for mercury waste, this would facilitate material recycling through separate collection and the appropriate disposal of the mercury waste. Other than this technology, medical waste which contains mercury, such as sphygmomanometers and thermometers with mercury, can also be appropriately treated through the introduction of suitable technology. Further, the project may help addressing Penang's complex challenges, including separate collection of garbage, reduction of garbage volume, promotion of recycling businesses and prevention of health problems caused by hazardous waste.

Chapter 3 Outline of the project

3.1 Goals and objectives of the project

3.1.1 Objectives and basic direction of project implementation

The objectives of the project are to verify that the introduction of mercury waste processing technology to the state of Penang is commercially feasible and to formulate consensus with stakeholders on the results of the feasibility study, as well as to introduce the case to neighboring countries. In order for the objectives to be achieved, the project deploys basic directions to 1) enhance close communication with local counterparts, 2) retrieve the most updated market data and business costs, and 3) establish close cooperation with relevant institutions, including select international organizations.

3.1.2 Goals of the project (contribution to addressing local issues of development in the recipient cities, region and country)

- The project will seek consensus amongst local stakeholders with respect to the policy of the Penang state government on the specifications and capacity of the intermediate processing plant. In practice, the project will refer to the results of the financial feasibility study as described in detail in chapter 6 to reach consensus.
- The project will aim at basic capacity development of local bureaucrats on the smooth implementation of the disposal of used FL lamps and used batteries. In practice, the project will organize a study tour to Japan to be followed-up by field work for the benefit of the cities of Penang Island and Seberang Perai to help local staff enhance their capacity and be a value-adder, rather than a barrier, for the disposal business.
- The project will introduce its outcomes through relevant international organizations to enhance governmental networks on chemical substances within the region. In practice, the project will introduce the case through the United Nations Environment Programme's (UNEP) global mercury partnership where Nomura Kohsan has been a

member. Through preparation for the COP1 of the Minamata Convention on Mercury, the case will also be shared with concerned stakeholders, including UNEP.

3.1.3 Goals of the project (concerning business development)

The goals of the project for business development include: 1) a financial feasibility study on the construction of the intermediary processing plant, 2) agreement with Shan Poornam Metals, the local partner company involved in the disposal of mercury waste, and 3) information sharing with the partner company's shareholders, as well as the federal government of Malaysia.

3.2 Contents of the project

3.2.1 Project schedule

The project was implemented in three stages: 1) basic research on business feasibility study (field work #1 to #4), study tour to Japan, preparation for follow-up (field work #5 and #6, together with the study tour), and 3) revision of the business model to secure business viability (field work #7 to #10).

	Tasks	Field works												
#	Schedule d tasks of JICA project	#1 (Penang)	#2 (Penang)	#3 (Penang)	#4 (Penang)	#5 (Penang)	#6 (Japan)	#7 (Penang)	#8 (Penang)	#9 (Penang)	#10 (Penang)	#11 (Penang)	Content	Object
1	Local market viability						<u>, 1</u>						 Hearing from local partner and government Ditto but from local prospects 	• To confirm market viability by numerical data
	Knowledge enhanceme nt on industria l waste managemen t												• Study tour and communication through field works	• To let local partner and Penang government understand industrial waste management
3	Consensus with the local partner on alliance												•Hearing from local partner and government of Penang	• Commitment on alliance
4	Scope of service												• Hearing from local partner and government of Penang	• To fix business line-ups
5	Supply chain												 Hearing from local partner and government Ditto but from local prospects 	• To secure prospects with reasonable target of sales
6	Financial feasibili ty												Collecting financial data and conducting calculation	• To develop a financial model
7	Joint venture company											P	• Negotiation with local partner and Penang government	To fix the schedule of joint venture company registration

Table3.2.1 project schedule

3.2.2 Schedule

The schedule of project funded activities are shown on the following table

#	Date	Activities
1	$2015.9.11 \sim 9.14$	Pre kickoff meeting
2	$2015.10.12 {\sim} 10.17$	Kickoff meeting
3	$2016.1.24 \sim 1.28$	Basic research on business feasibility study
4	$2016.2.22 \sim 2.25$	Discussion about nationwide business development
5	$2016.4.25 \sim 4.30$	Preparation of Japan study tour to Japan
6	$2016.10.26 \sim 11.2$	Follow-up of study tour to Japan
7	$2017.1.9 \sim 1.13$	Revision of the business model to secure business viability
8	$2017.2.20 \sim 2.24$	Study on local plant manufacturers
9	$2017.4.10 \sim 4.15$	Negotiating joint venture
10	$2017.7.19 \sim 22$	Negotiating joint venture (On going)

Table3.2.2 Schedule

Japan Study Tour	$2016.7.10 \sim 7.16$	Capacity building
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Chapter 4 Field work (Omitted)

Field work details are omitted due to redundancy. A total of 11 field visits were conducted by Nomura Kohsan, which facilitated smooth and productive communication with local counterparts.

Chapter 5 Project summary (results of implementation and review)

5.1 Project outcomes (contribution to recipient cities, region and country)

Through the various activities outlined above, the project successfully indicated a direction for development, including the establishment of a business model for the business of disposing mercury waste and the simulation of a profitable business model based on sales volume and unit price to secure sustainability. The state government of Penang and local stakeholders confirmed their consensus to support the mercury disposal business, which was one of the goals of the project. Further, the project rendered a total of five days of study opportunities (lecture and workshop) in Japan for 14 selected bureaucrats, which were presented through the tour and subsequent field work to fulfill the planned objectives. However, the formulation of the project with UNEP for GEF has been affected by the delay of the ratification of the Minamata Convention by the Malaysian government (not yet ratified as of October 2017) and more time may be needed to start the process with their endorsement.

Note: As stated in 1.1.3, the project has repeatedly discussed the issue with UNEP's officer in charge of GEF project formulation. Their intention is to formulate a project on awareness raising

with regard to the appropriate disposal of mercury waste, in combination with a regional program to introduce the project outcomes so that visibility within the ASEAN region can be enhanced. However, because of the abovementioned delay in ratifying the convention by the government together with the timing for the GEF to close its budgetary phase (GEF6) for the next phase (GEF7), project formulation may be delayed until July 2018 at the earliest.

5.2 Project outcomes (business development), remaining challenges and direction to solve issues

5.2.1 Project outcomes on business

In April 2017, the cities of Penang Island and Seberang Perai started to collect used FL lamps as a demonstration, which can be recognized as a tangible result of the project for capacity building of local governments. They autonomously organized meetings to follow up on the activities of the study tour to Japan. As detailed on chapter 6, a financial model was consolidated on possible investment for the intermediary processing of mercury waste, including pre-treatment of used FL lamps, and shared with a local partner company, particularly with regard to the level of income required to make the business sustainable.

	Task					Fie	eld wor	ks						Achievement and	
#	Schedule d tasks of JICA project	#1 (Penang)	#2 (Penang)	#3	#4	#5 (Penang)	#6 (Japan)	#7	#8 (Penang)	#9 (Penang)	#10 (Penang)	#11 (Penang)	C:	Active evaluation A: complete B: almost complete remaining challenge	Remaining challenges and direction
1	Local market viability												В	Obtained reliable infor on competitors and market of mercury disposal management.	• Keep reminding local partners abuot volume estimation of local market Oct 2017
2	Knowledge enhanceme nt on industria l waste managemen t												A	• Knowledge sufficiently acquired by local counterpart through study tour/field works.	
3	Consensus with the local partner on alliance												В	• Time elapsed to change business model from recycle to disposal, basic consensus was confirmed on alliance.	• Confirmation in writing not yet done Oct 2017.
4	Scope of service												С	Partner company demanded additional land space. State government supports.	• Waiting for official answer from the state government, Nov 2017-
5	Supply chain												С	•Local partner showed interest on catalyst and litium-ion batteries.	• Need to disucss about additioal investment with local partners, Nov 2017-
6	Financial feasibili ty												С	Local partner showed interest but no commitment on price and volume.	• Need to confirm numerical figures on volume and price. Nov 2017-
7	Joint venture company												A	A financial model was established based on market research.	
8	Settlemen t of schedule for joint venture												С	Schedule was not fixed yet due to 4, 5 and 6 of above.	 Negotiation to be continued to sort out the remaining challenges and proceed to joint venture establishment. Nov 2017-

Table 5.2.1 Project outcomes on business

5.2.2 Challenges and direction of solution

At the conclusion, the project recognizes the following challenges and direction of solutions as follows;

1) Land premises

The project was notified by the local partner company (Shan Poornam Metals) that their own premises cannot accommodate the intermediary processing plant and they want to make use of a vacant space next to their factory, which is currently owned by the state government. While the state government is supportive, space requirements for the joint venture business must be specified to reach consensus on the deadline to convert the use of the vacant space with official permission from the government.

2) Scope of service

The partner company (Shan Poornam Metals) showed interest in undertaking the saturated catalyst of oil and gas industries to capture mercury content, together with lithium-ion batteries, which are collected with other e-waste. Since the project was not originally planned to cover either one of these items, Nomura Kohsan may offer the introduction of an electric furnace on a commercial basis for catalysts and may trade batteries through a joint venture if the price is attractive enough. The electric furnace may process sludge with mercury (mostly phosphor), which will be generated by the intermediary processing plant, and Nomura Kohsan may extend assistance to suggest the most optimum mode of introduction for the electric furnace through technical R&D process in Japan.

3) Supply chain

The project has helped Nomura Kohsan negotiate with the local partner, although it is still early for them to verify a detailed list of prospects, volume of FL lamps and the price of disposal. While they acknowledged that they can meet the requirements of the financial feasibility study, Nomura Kohsan prefers to confirm the commitment in writing before stepping forward with the formulation of a joint venture.

4) Establishment of joint venture company and schedule Nomura Kohsan thinks that the abovementioned items 1) to 3) are a critical prerequisite for the formulation of a joint venture company and expects to solve these issues first, so that the establishment of the joint venture company can be secured, together with the schedule of fixed investment, as well as the start of service in Penang.

Chapter 6 Further business development after the project

6.1 Goals and objectives of the business

6.1.1 Expected outcomes of business development (contribution to recipient cities, region and country on social/economic development)

It will be a meaningful development for the state of Penang and for the entire country of Malaysia to start processing mercury waste locally with appropriate technology in order to comply with the requirements of the Minamata Convention, which came into effect on 16 August 2017. Until now, Malaysia has disposed of crushed FL lamps after encapsulation into local landfills without removing mercury, which is a very rudimentary method.

The removal of mercury will increase the value of valuable wastes, such as used catalysts or e-waste, and it is expected that the yield ratio of recycled materials to total volume of crude waste will improve.

6.1.2 Expected outcome of business (business development)

At this time, the business model is focused on the intermediary treatment of used FL lamps on site in small quantities, either at the current market price or lower, which means that it will not be very profitable. Yet it is expected that the initial investment of the business model of approximately JPY 10 million will be paid-off in three to five years after investment and will secure an IRR exceeding 30% after 10 years of operation, and therefore, the proportional return is quite sufficient, although the volume of investment is small.

Further, from a mid- to long-term perspective, a probable scenario to replicate the business model of Penang throughout the entire country may promise even higher returns due to regulations to comply with the Minamata Convention. Nomura Kohsan will keep checking the validity of business proactively.

6.2 Business plan

6.2.1 Outline of the business

The business plan includes the installation of a lamp crusher together with a rotary trammel unit to separate phosphor with mercury from glass/aluminum which can be locally landfilled, and transport the separated phosphor with mercury together with used filters and other mercury wastes to the Itomuka plant of Nomura Kohsan in Hokkaido, Japan for final disposal after stabilization and solidification. There are two additional proposals: 1) removal of mercury from used catalysts to recycle valuable metals and 2) export of used lithium-ion batteries to Japan for recycling. So far, neither one of these proposals have been financially verified due to the lack of required market data. In addition to these proposals, Malaysia recently showed interest in Nomura's technology to dispose of medical wastes containing mercury.

Initial business model

Cities and Penang State ()Awareness building (2)Capacity development (3)Legislation (4)Collection of used FL lamps from households

Local collectors ①Collection with fair tipping fees Nomura + Cenviro/SPM Joint venture Collection of used FL lamps Counting to reclese weburne SWebbing and recycling of glob (Theorie Long) Josephie J

Nomura Kohsan Final disposal of stable/solid mercury (on commercial base

Revised business model

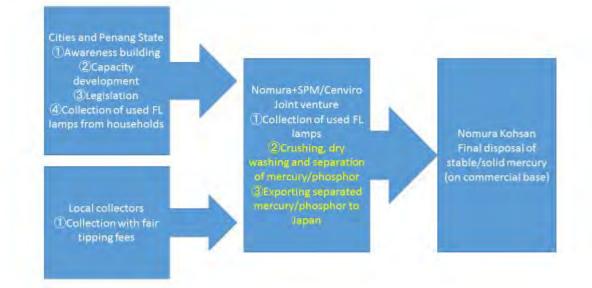


Figure 6.2.1 Initial business model and Revised business model

6.2.2 Target of the business

The most promising subsector that may discharge a certain volume of used FL lamps will be industrial businesses, including foreign manufacturers located at export processing zones, since they are mandated to cover the cost of proper disposal as "industrial scheduled waste (SW109)". If the business can consistently secure a minimum of 100 tons of lamps per year, the initial investment will be paid off in 2.5 years. Otherwise, it is expected that 1) used batteries will be exported to Japan to be recycled and 2) used catalysts from oil and gas industries will be pre-treated to remove mercury with newly introduced electric furnaces, which will then be handed over to the local partner who may extract valuable metals through their own refinery process.

Malaysia has legislated that the responsibility for the proper disposal of industrial waste containing mercury lies with waste generators, and the country has also signed the Minamta Convention on Mercury.

6.2.3 Business formation

Cooperation with local partners (public/private) and organizations

It has been discussed with local stakeholders that 1) Nomura Kohsan and Shan Poornam Metals (SPM) will formulate a joint venture company to start the intermediary treatment of mercury waste (used FL lamps) within the premises of SPM, 2) Nomura Kohsan will support the engineering work of the intermediary treatment plant, 3) a lamp crusher will be exported from Japan, while a rotary trammel machine will be newly manufactured by a local assembly

plant, and 4) SPM will collect the lamps to secure sufficient volume at a profitable price. Recently, the issue of land space was placed on the table of discussion which affected the formulation of the joint venture. The project is currently waiting on a response from Penang state.

• Value chain and division of responsibility

The basic framework counts on: 1) sales activity by the local partner and 2) technical support by Nomura Kohsan, which shall remain applicable to accept used batteries, used catalysts and medical equipment. Details on business procedures shall duly be fixed as the project moves forward.

6.2.4 Business implementation schedule

At this time, it is not clear how quickly the issue of land space will be resolved. The following plan is based on the assumption that the stalemate will be resolved by the end of the 2017 calendar year. After the decision, another six months will be needed for approval of the construction of new buildings, which means that business operations can concretely start by mid-2018 at the earliest.

- 1) The joint venture company between Nomura Kohsan and Shan Poornam Metals will be established by mid-2018.
- 2) The mobile crusher and manufacturing rotary trammel will be exported upon the establishment of the joint venture company. It will take three months to have both machines delivered to the site, which means that engineering work should start as soon as the construction of the new building begins.
- 3) Including commissioning and test-running, the plant will be ready for operation approximately seven months after the establishment of the joint venture company. At this time, the project assumes that the plant will be ready to start operations in February 2019.
- 4) However, sales can start as soon as the joint venture company is established. Collection and storage of used FL lamps can begin as soon as the new building is completed. Therefore, December 2018 will be the target date for the project to start storing lamps from customers at the new building.

6.2.5 Investment and finance

The total investment from Nomura Kohsan will be approximately JPY 16 million.

Initial investment for fixed assets will be JPY 11 million. Since the investment amount is small enough, 100% of capital will be internally procured and no long-term loans will be borrowed. Depending on the sales performance, it will take between three to five years for the joint venture company to recover the initial investment for fixed assets.

6.2.6 Competitors

Attachment 4 contains a list of the registered disposers of waste that contains mercury. All of the listed companies either do not actively collect waste containing mercury or just encapsulate mercury waste without separating mercury. Since the Minamata Convention on Mercury prohibits the controllable release and emission of mercury by anthropogenic activities, Nomura Kohsan will have a strong advantage due to its technology to separate mercury from waste, if the government of Malaysia ratifies the convention.

6.2.7 Challenges of the business and direction to solve challenges

As stated above in section 5.2.2., the remaining challenges are as follows;

- 1) To secure land space for the new business
- 2) To confirm service lineups
- 3) To verify the supply chain
- 4) To establish a joint-venture company

Nomura Kohsan has been in continuous dialogue with the local counterpart to address items 1) to 4) above.

6.2.8 Foreseeable risks and countermeasures

1) Business risks and deployable countermeasures

There are two perceived business risks: 1) increase of initial investment and 2) leaving sales performance under the responsibility of the local partner. The initial investment assumes only the introduction of an intermediary treatment facility for used FL lamps. However, the project may anticipate the diversification of mercury waste for which the initial investment may not be sufficient. As a countermeasure for this, Nomura Kohsan must continue to pay attention to the scope of work and review the initial investment cost as necessary. Nomura Kohsan will negotiate with the local partner to prepare a list of prospects with sales targets by which the joint venture company can tangibly grasp the target volume for lamp treatment. As existing competitors may also become another business risk, the joint venture company must continue to pay attention, and if possible, position competitors as secondary customers.

2) Environmental risks and deployable counter measures

There are two environmental risks: 1) the regulations of the Minamata Convention may be strengthened and 2) the Basel Convention on Hazardous Waste may restrict the export of mercury waste to Japan. Close communication with the Malaysian government (DOE) on the Minamata Convention will be the key to identifying the regulations that need to be strengthened in practice. Under the Basel Convention, permission must be obtained from authorities of transit countries when exporting mercury to another country. Nomura Kohsan has had experience in the Philippines where it took excessive time to obtain permission from the Korean government to export mercury waste, which became an obstacle to the smooth export of mercury waste to Japan. Based on this experience, Nomura Kohsan is ready to deploy authorization agents in Korea in order to reduce the risk.

3) Social risks and deployable countermeasures.

There is a risk that the project will be criticized by local society as it prioritizes commercial profitability rather than addressing the mercury waste issue of the local community, including remote areas and poorer segments of the population. In order to avoid this risk, Nomura Kohsan is cooperating with the state government of Penang to try to formulate another technical cooperation project with UNEP in which a broader range of civil society can take part. Nomura Kohsan will further seek opportunities to enhance social benefits to be widely distributed throughout society, which will mitigate risks.

6.3 Possibility of cooperation with Japan's ODA program

6.3.1 Justification of cooperation with ODA

The business to appropriately dispose mercury waste has a wider concern on public interest as stipulated on the Minamata Convention on Mercury, though profitability will remain lower than e-wastes, due to lower market value. Because of this characteristic, it is meaningful to cooperate with Japan's ODA, which has a mission to prioritize public interest. Specifically, the following themes can be taken up by Japan's ODA to seek for synergy with Nomura Kohsan's business: 1) accelerated ratification of the Minamata Convention to smooth other international assistance to Malaysia, 2) introduction of internal regulations to promote appropriate disposal and prohibit illegal dumping, 3) capacity development of relevant authorities, including local governments, and 4) disclosure of the case to neighboring countries.

6.3.2 Expected cooperation scheme

One possibility for cooperation is to field a long-term expert to the government of Malaysia. The Ministry of Natural Resources and Environment (NRE), the focal point of the Minamata Convention, has already launched the Minamata Initial Assessment (MIA) to investigate the baseline of mercury management in Malaysia, which is expected to take another two years until completion at the end of 2019. Further, NRE and the Department of Environment (DOE) are in a comparatively weak position compared to other central government agencies and it is not guaranteed that the Malaysian government will automatically ratify the convention. On the other hand, Malaysia has comparatively advanced chemical industries within ASEAN countries and the needs to properly dispose industrial waste is duly higher than the neighboring countries. In order to smoothly complete the MIA and promote early ratification, allocation of the long-term expert should be effectively.

6.3.3 Specific issues of cooperation

It is preferable if the long-term expert is allocated to the Prime Minister's office, which controls the NRE. The term of assignment would be until completion of MIA by the end of 2019 and the expert will be assigned to advise local authorities about the smooth ratification of the convention. For this purpose, the expert may have a variety of duties, including contact with the Ministry of Justice, custom authorities and other relevant authorities in order to explain the background and coordinate with them on related processes, as well as to organize seminars for capacity development.

The candidate is envisioned as a practitioner with knowledge on the Minamata Convention in the Ministry of Environment of Japan (MOEJ) or subsidiary institutions, or a scholar working for universities or research institutions. In order to address coordination with international frameworks, candidates who have experience in working for an international organization may also be considered.

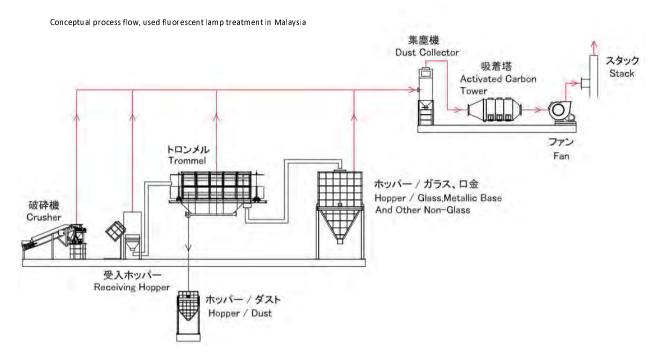
Attachments

- 1. Specifications of lamp crusher
- 2. Conceptual process flow, used fluorescent lamp treatment in Malaysia
- 3. Financial data
- $4.\ \mathrm{SW109}$ Recovery facility licensed by DOE
- 5. Action Plan
- 6. Overview of the study tour in Japan
- 7. Pictures of Activities

Attachment ① Specifications of lamp crusher

1. Model		GZ21-10				
2. Allowable type crushing	es fluorescent lamps for	Linear fluorescent lamps: up to 1,200mm(40W) in length Circular fluorescent lamps: up to Φ 380mm (40W) in diameter (With additional options, possible up to 2,400mm (110W) lamps)				
3. Storage contai	ner for crushed lamps	JIS Z1600 Type I (Open drum container, nominal capacity 200) Diameter: Φ600mm, height: 900mm (second-hand containers are also accepted)				
4. Storing capaci	ty of storage container	Open drum container Linear fluorescent lamps [1,200mm(40W)]: approx. 500 lamps				
5. Simultaneous fluorescent lamps	loading capacity of	Linear fluorescent lamps: up to 3 (three) Circular fluorescent lamps: 1 (one)				
6. Crushing capa (Net oper	city ating time)	Linear fluorescent lamps [1,200mm(40W)]: max. 1,500 lamps/h Circular fluorescent lamps [Φ380mm(40W)]: max. 1,000 lamps/h				
7. Processing of a	dust and exhaust gas	Treatment processes using cartridge element (equipped with a pulse jet 'knocking-off' mechanism) and specialized adsorbent (activated carbon-based)				
8. External dimen	nsions	Approx. 765W×2,800L×1,830H mm				
9. Weight of lam	p crusher	Approx. 750kg (excluding storage container)				
	Conveyor	Three-phase 200V 0.75kW				
10. Motors	Blower (dust collector)	Three-phase 200V 1.0kW				
	Compressor	Three-phase 200V 0.2kW				
	Blower (adsorbent)	Three-phase 200V 1.0kW				
11. Power cord		Approx. 10m				

Attachment⁽²⁾



Equipment	Specifications						
Receiving hopper	terial :SS Dimention : W2000 × L1,000 × H800 Volume : 5.0m						
	Input with power 1.5kW Output with power 0.75kW						
Tromme	aterial:SS、Cylinder: Ø 1,200 × L4,000						
	Screen : 3mm, Capacity : 1.5t/h Drive motor : 2.2kW Power for output : 0.75kW						
Hopper/dust	terial:SS_Dimension:W1,000×L1,000×H1,820_Volume:1.2m ²						
	1aterial:SS Dimension:W1,520×L1,520×H1,820 Volume:4.0m ³						
Dust collector	Dimension:W900×L900×H1,200 Wind volume:36m ⁷ /min Fan capacity:3.7kw						
Activated carbon unit	Material:FRP/PVC, Dimension:W1,200×L3,080×H1,200、Volume of absorber1.8m²						
	Wind volume: 36㎡/min Pressure loss:less than 100mmAq						
Fan	aterial: FRP, Wind volume: 100N/min, Static pressure at activated carbon tower 500mmAg, Speed: 2,450rpm, Motor 30Kw						
Stack	Material:FRP/PVC, Diameter: ¢ 350mm Height:12m						

Attachment ③ financial data

	Pessimisti	c scenario	Baseline	scenario	Optimistic scenario		
Scenario	3500MYR/	[/] kg, 60tpa	3500MYR	/kg, 80tpa	3500MYR/kg, 100tpa		
Currency	JPY	MYR	JPY	MYR	JPY	MYR	
Fixed investment on machinery	10,000,000	395,257	10,000,000	395,257	10,000,000	395,257	
Total initial investment	10,441,802	412,719	10,499,811	415,012	10,557,820	417,305	
Net Present Value (NPV) on 7.6%	3,777,239	149,298	11,721,893	463,316	19,666,547	777,334	
Internal Rate of Return, %		17.48		38.21		62.24	
Pay Back Period (Normal), years		5.15		3.43	2.57		

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ESTALCO SDN. BHD.	JOHOR	PLO 595, JALAN MIEL 1 OFF JALAN KELULI 9 KAWASAN PERINDUSTRIAN MIEL IV 81700 PASIR GUDANG, JOHOR , PASIR GUDANG , JOHOR
SYP RECOVERY & RECYCLING SDN. BHD.	MELAKA	LOT 2833-2834, KA W ASAN PERINDUSTRIAN BUKIT RAMBAI, MUKIM TANJUNG MINYAK, MELAKA , MELAKA , MELAKA
MERIAHTEK (M) SDN. BHD.	MELAKA	NO 1, JALAN TTC 30, LOT 4827, 4828, 4831 & 4832, TAMAN TEKNOLOGI CHENG,MUKIM CHENG , MELAKA , MELAKA
KRUBONG RECOVERY SDN. BHD.	MELAKA	(2625 & 2630) PT.1671 & PT 1676,KAWASAN PERINDUSTRIAN KRUBONG , MELAKA , MELAKA
VICTORY RECOVERY SDN. BHD.	MELAKA	LOT 2211, 2212, 2213 & 2214, 2215,2216 JALAN PK 11 KAWASAN PERINDUSTRIAN KRUBONG , KERUBONG , MELAKA
TEX CYCLE SDN BHD (NO. 10, PUCHONG)	SELANGOR	NO.10 JALAN TPK 2/4, TAMAN PERINDUSTRIAN KINRARA , PUCHONG , SELANGOR
TEX CYCLE SDN BHD	SELANGOR	LOT 8942 DAN LOT 8960, KAWASAN PERINDUSTRIAN TELOK GONG, KLANG , KLANG , SELANGOR

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SW109 RECOVERY FACILITY LICENSED BY DEPARTMENT OF ENVIRONMENT MALAYSIA

MODEL DEVELOPMENT FOR: MERCURY WASTE COLLECTION, SEGREGATION AND TRANSPORTATION

A. <u>CONSTRAINTS</u>

- A proper treatment mechanism for mercury waste in terms of collection, segregation and transportation must be established by exploring all options in consideration with public environmental awareness as well as sustainable recycling programs. Primarily, considerations on constraints have to be taken into account involving matters on:-
 - (i) Wastes with mercury content collection stream are sometimes defined by rigid laws/regulations and usually does not accept any innovative ideas for modification within its system.
 - Proposed mercury waste management system must be designed with flexibility so that it can be improved by all stakeholders' innovative ideas.
 - (iii) Collection targets based on an appropriate price or incentive models may allow enough function to explore various options to meet the collection target.
 - (iv) Collection system itself must be evolutionary by any innovative ideas in order to achieve the collection target.
 - (v) Stakeholders' behavior is majorly affected by the economic incentives for any recycling programmes.
 - (vi) People are affected by the price or incentive signal.
 - (vii) People response sensitively to any price or incentive mechanism

- (viii) Local businesses will not perform at their best unless they are motivated by themselves. Once it is initiated by the motivation, a reliable system can be realized.
- (x) Logistic difficulties need to be addressed:-
 - (a) Difficulty in securing storage spaces at collection point including set up at public or private facilities.
 - (b) Difficulty in the management and operation of the mercury waste collection system.

B. <u>ACTION PLAN</u>

1. Regulation and Compliance:

- 1.1 Performance of any mercury waste management system strongly depends on the regulatory force and the compliance of each stakeholder through Extended Producer Responsibility (EPR) policy. Generally, recycling guidelines are only able to monitor on voluntary recycling method in terms of:-
 - (i) Deterministic system
 - (ii) Voluntary system by consumer/producer
 - (iii) Interactive system between Public and Private Sector
 - (iv) Within the framework of Waste Electrical and Electronic Equipment (WEEE) Directive
 - (v) Limited legal binding for punitive action

- 1.2 Participation of stakeholders is crucial for proper establishment of sound mercury waste management consisting residents, business and institutional stakeholders.
- 1.3 The focal point will be on how to formularize the negotiation method with relevant industries and commercial sector.

2. Proposed Concept of the System/ Design the Mercury Waste Flow

- 2.1 In the consideration of the system options, either government led or producer led or Full Recovery Facility (FRF) led model must be used in order to collect discarded waste to achieve the collection target.
- 2.2 Appropriate mercury waste disposal points needs to be provided for consumer in any proposed led system. These points must be made available with consideration of efficiency and convenience for all stakeholders' involves within the mercury waste flow system.

(i) FOR HOUSEHOLD:

(a) The system designed by the government usually will not be flexible enough. However, the experience of mercury waste collection can work effectively coupled with strong political commitment is required.

(ii) FOR BUSINESS INSTITUTION:

(a) Producers are business sensitive and can act flexibly. The producers will be able to develop the collection routes through the retailer. But the producer may raise objection for their limited participation in system design. Based on the proposed by law, the collection mechanism by the private sector is licensed by the local authorities.

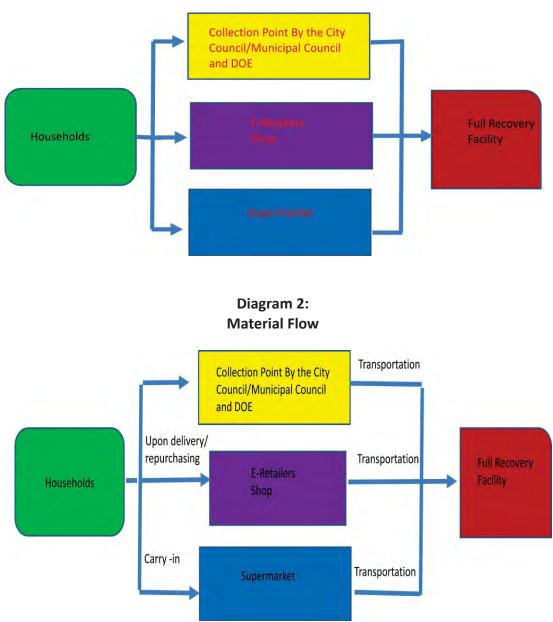


Diagram 1: Proposed Concept of the System/Design the Waste Flow

3. Stakeholder Involvement/Public Awareness

3.1 Steps must be taken to establish a material sound society and change the human (household) behavior. The human behavior needs to be

induced to follow a set of systems that takes into consideration which:-

- The proposed system should include economic, health or environmental values as an attraction to change the discarders' behavior.
- (ii) Households must be able to send their mercury waste such as fluorescent lamp and others to the nearest collection point.
 People can save their labour and time (labour and time saving) to bring the material to the nearest point if the waste are collected by someone.
- (iii) Business and Institutional outlet such as home e-product shop and supermarkets must be able to receive/take back discarded waste and carry out their Corporate Environment Responsibilities (CER).

4. Financial Implication

4.1 Who pays for the cost to collect transport and dispose the mercury waste from each the Collection Point/Product Shops/ Supermarkets? Is it the City Council/Municipal Council/Producer/FRF? A depth analysis need to be address on the financial implication in order to assure that costs of disposal are allocated accordingly to the entity that should pay for the mercury waste treatment.

(i) FOR HOUSEHOLD :

(a) The amount of expenditure for waste handling needs to be allocated yearly base on the quantity and type of discarded waste. It can lead to the excessive burden on

26

the council and it is difficult to make the tax payers or consumer understand that the cost are social costs. Some cost would be partially absorbed by corporate bodies.

(ii) FOR BUSINESS/INSTITUTION:

- Based on polluters pay mechanism/ cross subsidies for social obligation.
- 4.2 The primary question that needs to be answer is **WHO PAYS FOR THE TREATMENT FEES?**

5. Design Assessment

- 5.1 An evaluation indexes must be developed in terms of these aspects:-
 - (i) Effectiveness
 - (a) Change of discarded behavior (Participation Rate): Amount of waste collected for recycling compared to amount of product purchased by the customer.
 - (b) Collection rate:Amount of waste collected for recycling compared to the amount of product sold in the past years.
 - (c) Policy effects (Traceability):Amount of waste going to the full recovery facility compare to the amount of discarded waste.

- (ii) Efficiency
 - (a) Required cost for setting up the collection center and storage container.
 - (b) Required cost for collection and transportation.
- (iii) Sustainability
 - (a) Budget for the project implementation.
- (iv) Applicability
 - (a) Planning and implementation in wide areas.

C. <u>SUMMARY</u>

A proper mercury waste management system must be established to ensure that mercury wastes are treated in a sustainable manner. The mercury waste management system must take into consideration of all stakeholders' constraint and opinion in order to develop a sound mercury waste management system with minimal impact to the environment. Proper planning must also include financial implication to the public as well as social behavior in response towards the mercury waste management system. The system must be evaluated periodically to measure its effectiveness and amendment should be made accordingly for enhancement.

Group Members:

- 1. Honorable Mr. Phee Boon Poh
- 2. Mr. Mubarak Bin Junus
- 3. Mr. Mohd Puad Bin Hamid
- 4. Mr. Tan Chong Hee
- 5. Mr. Shahril Zamani Bin Md Zain
- 6. Ms. Josephine Tan Mei Leng

SOURCES OF E-WASTE

Industrial sectors :

from electrical and electronic equipment assemblies

Household, commercial areas and institutions: used end of life electrical and electronic goods Generation of industrial ewaste in 2013 was about 138,036 metric tonnes; and forecasted to be 1.11 million metric tonnes in 2020

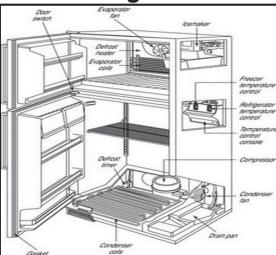


PILOT PROJECT IN PENANG SEPTEMBER 2011-MAC 2013



Household E-Waste Targeted Item By DOE & JICA

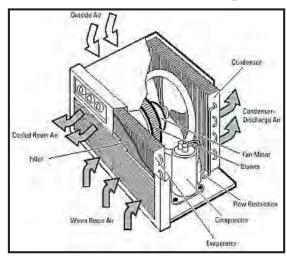
Refrigerator



Washing Machine

Inside a Washing Machine Water Level Timer Control Wastr Control Agitator Selector Water Supply Lid Hoses Switch Water Level Drain Centrol Hose Assembly Water Inlet Motor Valves Pulley Off-Balance Switch Motor Water Filter Spin fransinission Pulley Water Spin Water Hose Assembly Pump

Air Conditioning





CPU



Television SPM TECHNOLOGY IS READY



Mobile



Household E-Waste Next Phase



Shan Poornam A Cenviro Associate

Household E-Waste Non Targeted Item By DOE & JICA – SPM

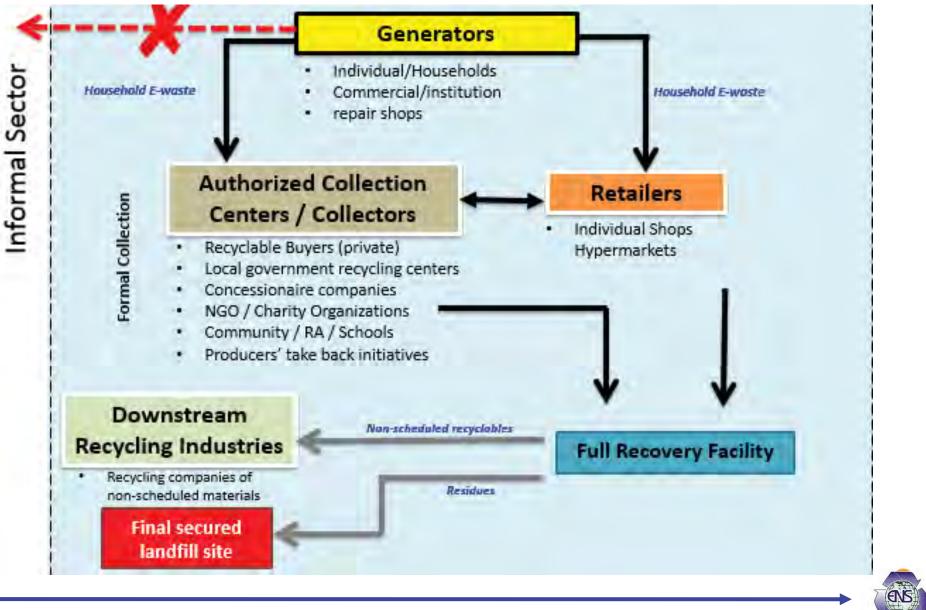




FUTURE SPM TECHNOLOGY



Household E-Waste Flow



Shan Poornam

34

Methodology And Financial Support

- > Awareness Program
 - ✓ Flyer Government
 - ✓ Social Media(Facebook), TV, display board Government
 - Road Show & Training Government and Household E-Waste Full Recovery facility.
- Collection Centre Setup
 - Location Government, Retailer and NGO
 - ✓ Recycle Bin Government
 - ✓ Overhead Government, NGO & Retailer
- > Transportation
 - ✓ Generator to collection center Generator
 - Collection Centre to Full Recovery Full Recovery Facility
- Treatment & Disposal
 - ✓ Full Recovery Government
 - ✓ Secured Landfill Government



We care ...

g

Methodology And Financial Support

- > Technology Consideration/Equipment
 - Suitability / Licensing(approval)Equipment Full Recovery and DOE
 - ✓ Equipment

Turning FL to mercury sludge – Government and Recycler



Attachment 6

Overview of the Program Conducted in Japan

1. Name

Promotion of Adequate Treatment Technology of Mercury Contained Waste

2. Period & Schedule

10-16 July 2016 Osaka, Japan

	Trai	ning content	
Date	1.Institution-building training (inspection, licensing, etc.)	2. Environment measurement and processing method training for all trainees (including intermediate processing facility staff)	Venue
10-Jul	Arrival (Kansai airport)		
	Orientation		GEC
11-Jul	Activities to promote public awarenes containing/contaminated waste by NF		GEC
	Waste Management-Challenges and C Management	Dpportunities and IETC Activities on Waste	GEC
12-Jul	Fluorescent lamp collection process	by Kyoto City and site visit	Kyoto City
12-Jul	Fluorescent lamp recycling facility		Kansai Factory
	Municipal waste processing plan by Osaka City	environmental measurement, data processing methods	 Osaka City Kansai Factory
13-Jul	Dissemination to the public and collaborative activities (introduction)	Facility and operation management methods	 Osaka City Kansai Factory
	Waste reduction measures by Osaka City (waste segregation/ collaborative activities)	Crisis management methods	 Osaka City Kansai Factory
14 1 1	Fluorescent lamp collection process	by Osaka City	Osaka City
14-Jul	Land fill site		Osaka Bay Regional Enviromental Improvement Center
15-Jul	Home Appliance Recycling Facility		CEC
1 3- Jul	Group Discussion		GEC
16-Jul	Departure		

3. Participant list

No.	
1	Mr. Shahril Zamani Md Zain - Assistant Director, Penang State Economic Planning unit
2	Mr. Mubarak Junus - MBPP Head of Urban Services Department
3	Mr. Mohd Husaini Bin Saad, he is our assistant director of State Economic Planning Unit.
4	Mr. Tan Chong Hee - MPSP City Councillor
5	Mr. Tan Chee Teong - MPSP City Councillor
6	Mr. Mohd Puad bin Hamid - MPSP Head of Urban Services Department
7	Mr. Mohd Nazri bin Ramli - Assistant Director of Department of Environment (DOE)
8	Ms. Koay Gaik Kee - Special Officer to Hon. Mr. Phee Boon Poh
9	Ms.Josephine Mei Ling Tan - Special Officer to Hon. Mr. Phee Boon Poh
10	Mr. EW Tan, Marketing Manager - Shan Poornam Metals Sdn. Bhd
11	Mr. Teoh Yik Then, EHS Manager -Shan Poornam Metals Sdn. Bhd
12	Mr. Khor Hung Teik, Senior consultant for YB Phee
13	YB Phee Boon Poh - Penang State Minister of Welfare, Caring Society and Environment
14	YB Yeoh Soon Hin - Penang State Assemblyman of Paya Terubong

4. Attachment (Handout)

①Consumers Kyoto

②UNEP

3 Kyoto city

(4)Nomura Kohsan Kansai Factory

⑤Osaka City (Municipal Solid Waste Management Plan)

⁽⁶⁾Osaka City (Action Plan for Reduction of waste)

⑦Osaka City (Waste Sorting)

(8)Osaka City(Overview of Information Dissemination and Enlightenment among

Citizens)

(9)Osaka City(Collection and Treatment of Used Fluorescent Lamps and Other Wastes

in Osaka City)



Consumers Kyoto (non-profit organization) July 1972 The Kyoto Liaison Committee of Consumer's Organization was formed. April 2003 Decision to incorporate the Kyoto Liaison Committee of Consumer's Organization as a non-profit organization (NPO) during the 31st General Meeting. June 2003 Formation of "Consumers Kyoto" (Kyoto Liaison Committee of Consumer's Organization). October 1st, Certification by Kyoto Prefecture Governor. Began activities in the areas of "consumer protection" and "environmental protection" as an NPO.



Waste Management Law and Fluorescent Lamps

Municipal waste

2003

Responsibility to treat and dispose of waste is on the municipality. ⇒Fluorescent lamps generated by households

Industrial (commercial) waste

Responsibility to treat and dispose of waste is on the waste generator.

Must form a contract with a waste treatment company.

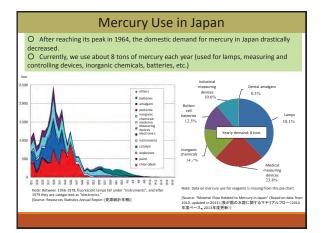
Must manage the Waste Manifest.

⇒Fluorescent lamps generated by offices

Adoption of the "Minamata Convention on Mercury" (October 2013)

Japan, now a Party to the Convention, is currently in the process of preparing domestic measures (including the implementation of a model project)

The Ma	in Articles of the Convention
Preamble	
Preface	Objective, Definitions
Supply and trade	Mercury supply sources and trade
Products and manufacturing processes	Mercury-added products [batteries, measuring devices (including thermometers, sphygmomanometers), lamps, switches and relays, dental amalgam, etc.]), manufacturing processes in which mercury is used, exceptions for mercury used for allowable uses permitted by the Parties
Artisanal and small-scale gold mining	Artisanal and small-scale gold mining (ASGM)
Emissions and releases	Emissions into the atmosphere, releases into land and water
Storage, waste, etc.	Environmentally sound storage, mercury waste, contaminated sites
Financial and technical assistance	Financial resources and mechanism, technical assistance, committee
Awareness and research	Information exchange, public information, awareness and education, research, development and monitoring, health aspects, implementation plans, reporting, effectiveness evaluation

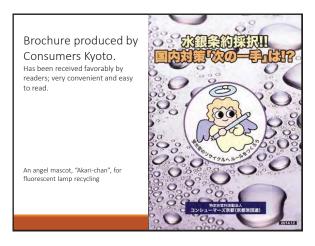


Key Points on Domestic Measures on Mercury in Response to the Minamata Convention

Discontinuation of mercury use in industrial processes

Proper collection and treatment of mercury-containing products

Expanding the scope of efforts from fluorescent lamps to mercury thermometers and mercury blood pressure measuring devices



Proper Treatment of Household Fluorescent Lamps Case Study: Kyoto City

Fluorescent Lamps from Households (case study: Kyoto City)

- Collection route
- 1 Household electronic stores as collection points
- 2 Public facilities as collection points
- 3 Localized voluntary collection by citizens

+

4 Portable recycling collection points

Collection of Fluorescent Lamps Using Household Electronics Stores

Stemming from the case studies of Kitakyushu City and Sapporo City, a collection demonstration was carried out in December 2005.

- Based on the result of this demonstration, a proposal was submitted to Kyoto City.
- Since October 2006, a lamp collection system has been put in place, using electronic stores as collection points.
- Additionally, municipal facilities are used as collection points.



"Social experiment": Working in collaboration with electronics retailers for the proper disposal of fluorescent lamps (December 2005)

ventured in this experiment as a MOEJ ecocommunity project (Collaboration with TANIYAMAMUSEN)











Portable Recycling Collection Points

including hazardous and dangerous wastes as collection targets



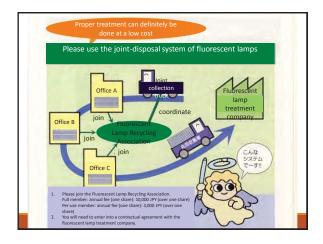
Proper Treatment of Fluorescent Lamps from Offices

- Pilot experiment: joint collection of fluorescent lamps from office buildings
- Based on this result, the
 "Fluorescent Lamp Recycling Association" was established in
 October 2010



Fluorescent Lamp Recycling Association

- Organizes awareness raising activities for the proper treatment of fluorescent lamps;
- Conducts surveys and studies for the proper treatment of fluorescent lamps;
- Coordinates joint disposal of fluorescent lamps from office buildings;
- 4. Coordinates community-level collection of fluorescent lamps.













Treatment fee of fluorescent lamps: who will bear the burden? How will it be paid?

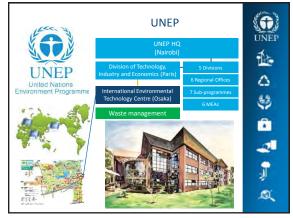
the concept of "extended producer responsibility" (EPR) is one possible answer...

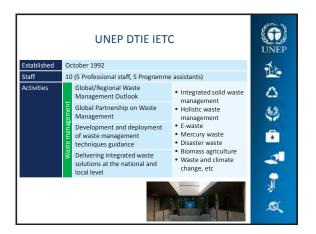
Future activities

In response to the Minamata Convention on Mercury:

- Provide consumers and citizens with accurate information on mercury;
- Participate in the creation of a system for proper collection and treatment of mercury-containing waste;
- Strengthen relations with waste administrations of local governments;
- Cooperate with business organizations;
- Strengthen the activities conducted through the "Fluorescent Lamp Recycling Association."

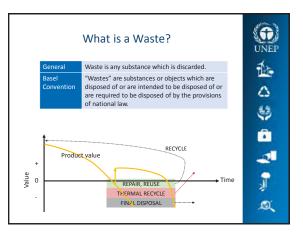


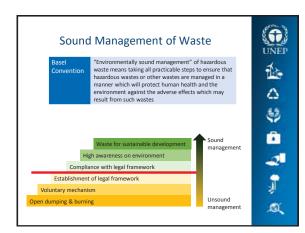




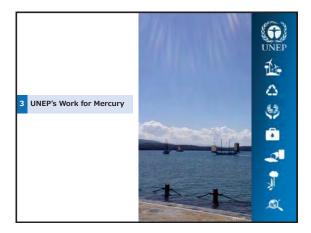
	Programme	
1	Introduction	120
	Sound Management of Waste	\triangle
3	UNEP's Work for Mercury	42
	Mercury Waste	
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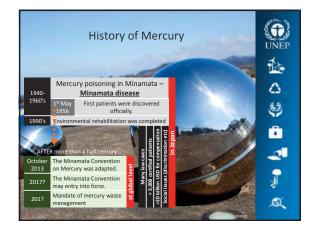


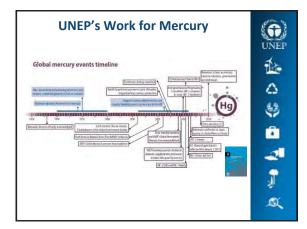


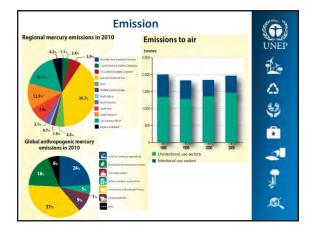


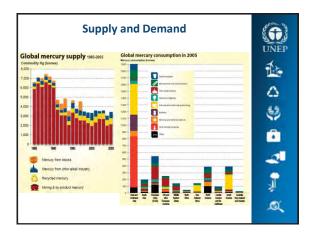


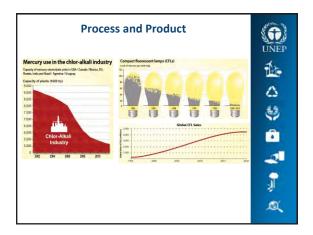


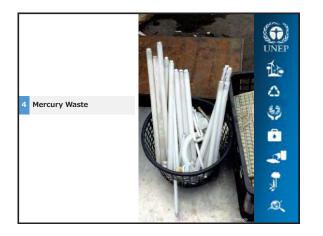


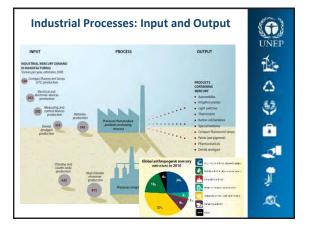








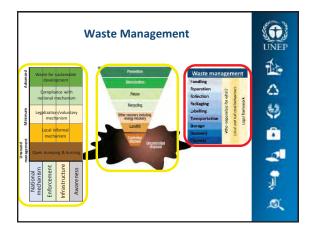




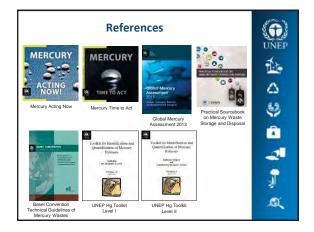
Trace quantities of n various wast		UNEP
Source of Hg wastes	Examples of Hg wastes	1
1 Extraction and use of fuels/energy sources	Flue gas cleaning residues	The
2 Primary (virgin) metal production	Residue, tailings	^
3 Production processes with mercury impurities	Residues, sludge	4.5
4 Intentional use of mercury in industrial production	Solid wastes contaminated with Hg, residues	42
5 Products and applications with intentional use of mercury	Used/obsolete/broken products, residues	
6 Secondary metal production	Flue gas cleaning residues, process residues	
7 Waste incineration	Flue gas cleaning residues, process residues	
8 Waste deposition/landfilling and wastewater treatment	Wastewater, treatment residues	,
9 Crematoria and cemeteries	Flue gas cleaning residues	-
	Bath. The Revolt Concerning: Sub-Initial Guidelings for Environmentally found Unangement of Unancy Workey.	rec













* (1) does not include four types of home appliances (televisions, air conditioners, refrigerators/freezers, and clothes washers/dryers) and personal computers **P17**, and oil/kerosene heaters.

These recyclables are collected at the sites below.

Recyclables collection facilities (Collect 1) - 16 above. *Some items cannot be collected, depending on collection facilities.)

Recyclables are collected at Counters for Ecological Activities in Ward Offices and Ward Branch Offices, Ward Beautification Offices, Kamigyo Recycle Station, and cooperating stores in Kyoto City. <u>Collection items and dates differ, depending on</u> <u>collection facilities</u>. Ask a Counter for Ecological Activities in a Ward Office or Ward Branch Office or refer to the recyclables <u>collection map in advance</u>. **recyclables collection map Search**

Kamigyo Recycle Station

Address: 100 Kainokami-cho, Aburanokoji-Higashiiru, Nakadachiuri-dori, Kamigyo-ku, Kyoto City

Business hours: 9:00 a.m.-5:00 p.m. on weekdays

9:00 a.m.-5:00 p.m. on weekends and national holidays _ *Closed for year-end and New Year holidays



• Mobile collection services (Collect (1) \sim (18) above and "harmful or hazardous wastes (")")

We go to accessible places such as schools and parks, and collect recyclables every year and harmful or hazardous wastes such as petroleum every other year based on previous school districts. For collection dates and locations, please see fliers circulated in your area. You can find this information in the Citizen's Newspaper (Ward version) or on Internet, depending on the scale.

mobile collection services Search

(*) "Harmful or hazardous wastes" are the following four items:

(1) Petroleum, (2) Medical and pharmaceutical products, agrochemicals (3) Chemicals, coating materials, wax, paint, (4) Detergent

Should you have any questions, please contact a Counter for Ecological Activities in a Ward Office or Ward Branch Office.



10

What

50 Smal cans

ways that ables are

09

49

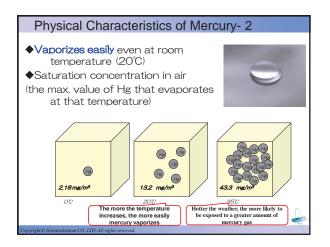


The only metallic element liquid at room temperature Color: Silver-white with a metallic luster Specific gravity: 13.6 (0°C) Melting point: -38.84°C (freezing point) Boiling point: 356.58°C 0.02 mg/l (20°C, water) ⇒ very difficult to dissolve in Solubility: water Easily amalgamates with other metals such as gold,

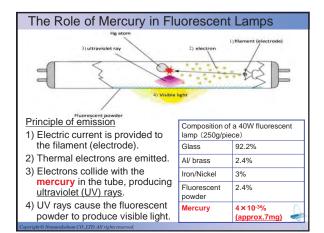
Physical Characteristics of Mercury-1

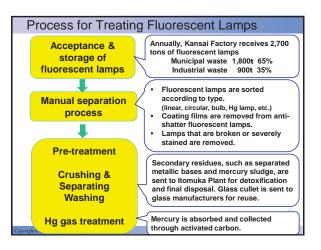


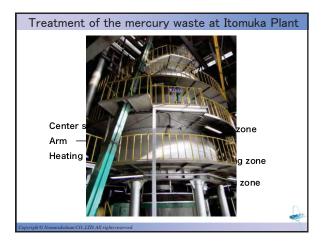
silver, copper, zinc, lead, sodium and potassium

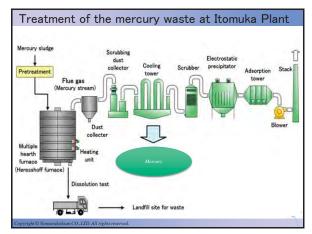


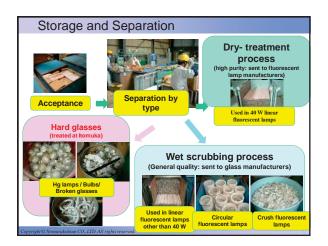


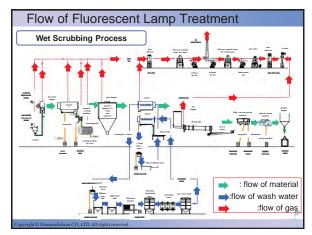


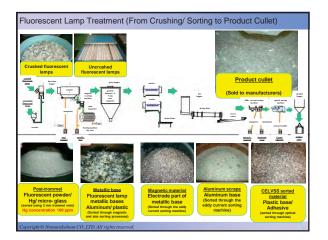


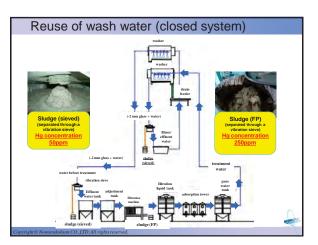


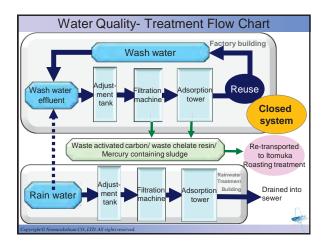


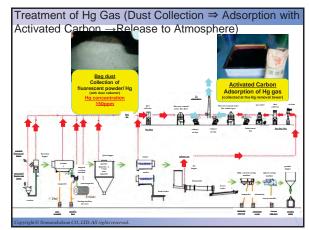


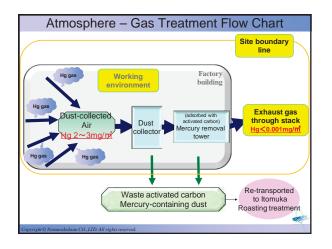


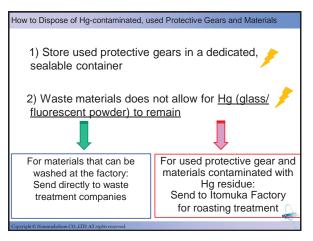


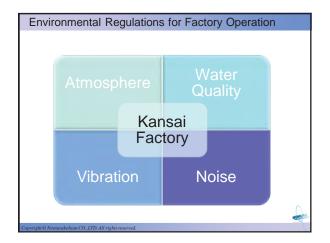


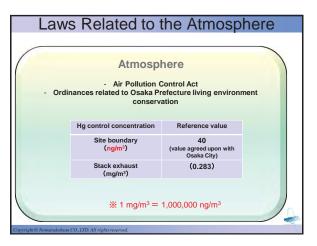


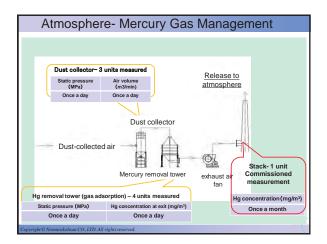




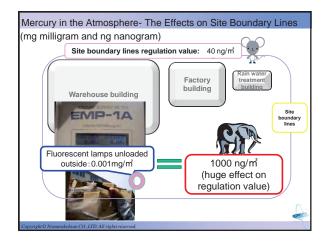




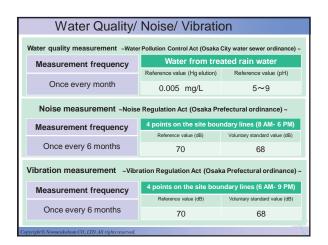


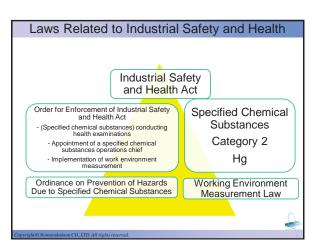


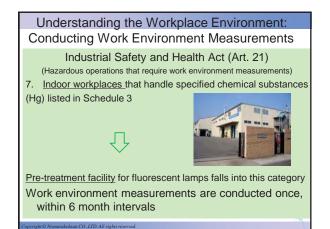
Agreemen					
(Managem	ent of Hg c	oncentratio	on at site bo	oundary line	e)
Results from	site bounda	ry line meas	urements	(2015 Uni	t:ng/m ²)
Location No.1	Location No.2	Location No.3	Location No.4	Annual average value	Agreed value with Osaka City
9.0	10.6	13.2	13.1	11.4	40
			-		
1) To be a	attentive to	outdoor si	tuations		
Not to le	eave the ma	aterials rec	eived, <u>suc</u> ł	n as fluores	<u>cent</u>
			es of glass	on the floo	<u>or), for a</u>
long pe	eriod of time	<u>e.</u>			
				/e a big imp	
release	es such as	factory inte	erior (workir	ng environn	nent).

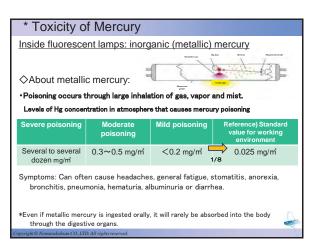


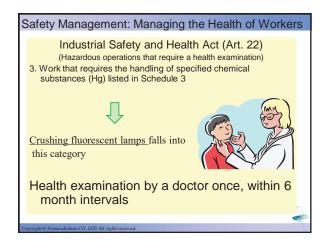
Atr	mosphere – N	lercury Gas Me	asuren	nent
Measure	and air	ry line ~Manual for ha pollutant measurement gas in the outdoor atmos	t~	substances
		urement frequency s on the site boundary	line)	
	C	Once a month		
	ndards based on Ind	ironment ~Work enviro ustrial Safety and Healt Hg-gas inside the factor	th Act (Art	
	or Environmental Analysis Environment Center	Simple measurements		our factory
	cy of measurements signated by law	Self-mana	agement	
Once, w	thin every 6 months	Once a day	Once	a month
(at 18	ocations within the factory)	(at 13 locations within the factory)		locations he factory)

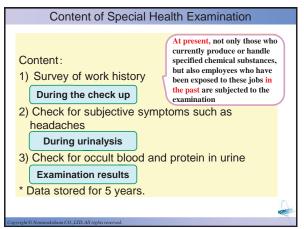


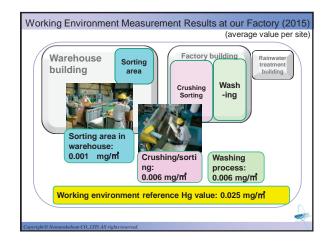


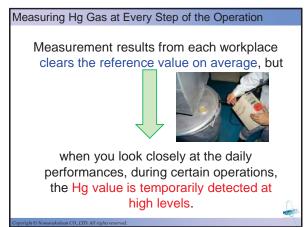


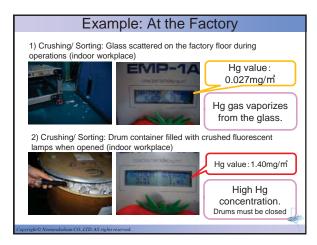


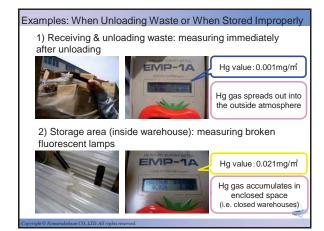


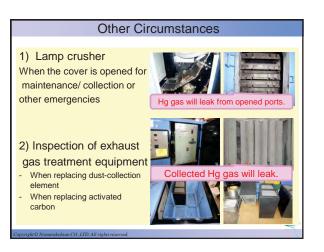


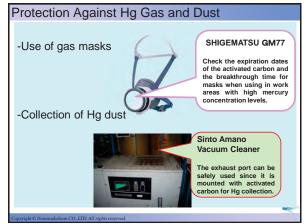


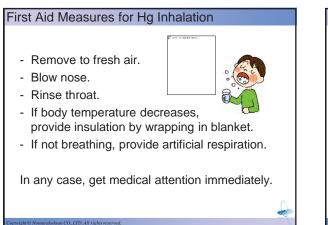


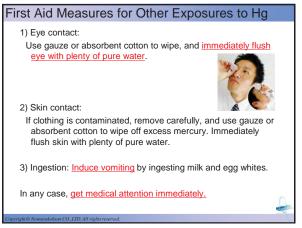






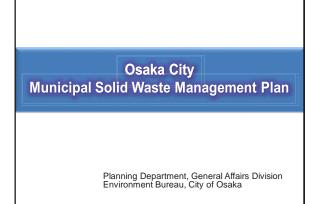






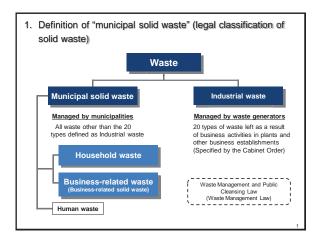
In case of fire	In case of leakage	In order to correct out th
First aid measures: Although mercury does not burn, it will evaporate when heated, so all Hg-containers must be removed to a safe place immediately.	 Use a pipet to absorb liquid. Use the sticky side of <u>duct tape</u> to pick up small pieces. Spray with calcium polysulfide; sweep and collection. 	In order to carry out the fluorescent lamps as It is important for all fa
If removal is not possible, spray the containers and their surroundings with water to keep cool.	 Collected and/or contaminated materials should be placed in a <u>sealable container</u>. Mercury must be disposed of properly. 	have a thorough und mercury and to have of awareness.
Fire extinguishing method: Spray from a windward location while wearing a protective mask. To extinguish fire, use foam, carbon dioxide gas or dry chemicals.	*Avoid using industrial vacuum cleaners for clean up, since the inside of the vacuum cleaner will be contaminated with mercury. Afterwards, the vacuum cleaner will constantly emit Hg vapor.	Furthermore, each equ properly managed, a should pay close atte of their work phase.

	Summary	
	In order to carry out the treatment of fluorescent lamps as safely as possible:	
	It is important for all facility personnel to have a thorough understanding of	
	mercury and to have heightened level of awareness. Furthermore, each equipment must be	2,,,
	Furthermore, each equipment must be properly managed, and the workers should pay close attention to every step of their work phase.	
opyrig	iht & Nomurakohsan CO., LTD. All rights reserved.	and the second s



Contents

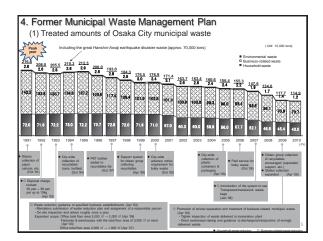
- 1. Definition of "municipal solid waste" (legal classification of solid waste)
- 2. A legal requirement of municipal waste management plan
- 3. Outline of Osaka City
- 4. Former Osaka City Municipal Waste Management Plan (as revised)
- 5. Current Osaka City Municipal Waste Management Plan

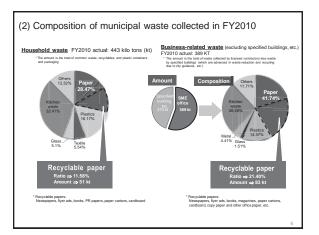


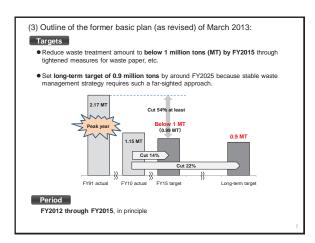


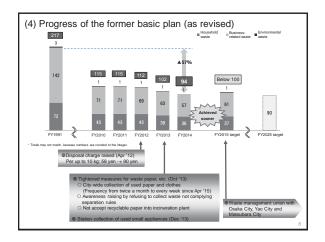


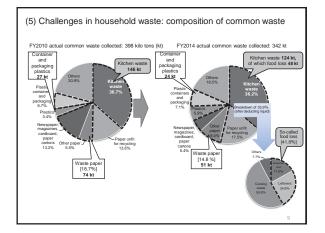
2) Osaka City in figure	es			
	Osaka C	City	Japan te	otal
Area (km ²)	225.21	(2015)	377,955	(2015)
No. of households	1,354,202	(2015)	53,403,000	(2015)
Estimated population	2,691,742	(2015)	127,110,000	(2015)
Male	1,302,569	(2015)	61,829,000	(2015)
Female	1,389,173	(2015)	65,281,000	(2015)
Registered foreigners	122,147	(2015)	2,232,189	(2015)
Population density (per km ²)) 11,952	(2015)	340.8	(2015)
No. of business establishme	nts 208,835	(2014)	5,926,804	(2014)

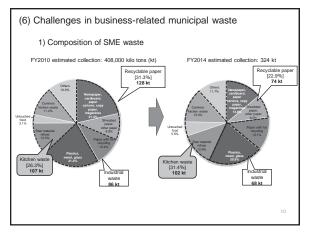


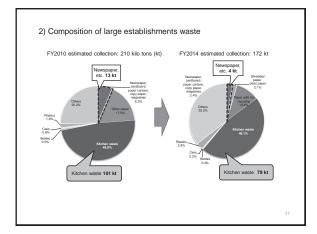


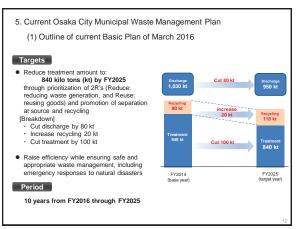












(2) Basic policy and major measures

Basic policy 1: Priority on 2R's

The 3R's (reduce, reuse, recycle) are important for creation of a sustainable, sound material-cycle society, particularly the 2R's of reducing waste generation reusing goods. The sk's (reduce, reuse, recycle) are important tor creation of a sustainable, sound material-cycle society, particularly the ZR's of location waste generation resulting goods. Waste reduction requires voluntary participation of citizon and business operators, and so the City will prepare a environment to facilitate the minister of these players. Priority is given to the ZR's because they are achievable with minimal extra input of energy or costs. The City will encourage shifts to new life and business sples which place the highest priority on waste generation reduction.

(Major measures)

- 1- (1) Easy-to-see information dissemination. and environmental education / awareness raising
- Pr ride data-based, easy-to-see information on the need for and progress in waste rec
- Use diverse PR media, such as separation-at-source apps, website, brochures
- Hold community workshops for diverse age groups
- Awareness raising for senior citizens, cooperating with "Zero Waste" leaders and communities
- Promote awareness raising activities by waste management centers (including help desks at ward offices)
 Recommend sector-specific reduction measures for Business-related municipal waste, etc.

1- (2) Kitchen waste reduction Reduce kitchen waste from households

 Encourage reduction of food loss such as untouched food and leftovers, and promote "3 Off's" campaign to reduce weight of kitchen waste through dewatering at home tchen waste 3 Off's Use off all food materials, eat off all foods served, dry off kitchen waste before putting out for colle

Reduce kitchen waste from business establishments

- Individual awareness-raising and guidance to business establishments discharging large amount of food waste
- Study measures for promotion of minimizing leftovers in restaurants
- Promote reduction and recycling of kitchen waste generated at city schools, other public facilities, etc
- 1- (3) Collaboration among citizens, business, and government
- Consider promoting campaigns for "My Bag" and "My Bottle" in collaboration with citizens and business operators
- Hold garage sales together with Zero Water leaders, promote reuse-oriented behavior of citizens by collecting, displaying, and offering maternity wear, baby clothes, toddler clothes, etc.
- Promote 3R's in our own government offices through awareness raising, action programs, etc

Basic policy 2: Promote separation at source and recycling

The city government has long worked with the citizens and business operators to promote separation at the source and recycling of various types of waste, achieving considerable waste reduction. The fact remains, however, that the waste we incinerate contains used paper, plastic containers and packaging, and other items designated for separation at the source as well as industrial waste and other wrongly discharged items. We will continue to address these chalenges through close collaboration and communication with citizens and business operators in order to promote further appropriate separation and source waste management.

Major measures

2 - (1) Household waste

- · Promote recycling by reactivating group collection and community collection
- Promote station collection of dry cells, fluorescent lamps, mercury thermometers, ink cartridges, and used small appliances
- Awareness raising by refusing to collect waste not complying separation rules
- Study measures to control illegal picking of recyclable waste, etc.

2 - (2) Business-related waste

- Give guidance to owners/managers of specified establishments on waste reduction and commend good performers
- Encourage appropriate separation of business-related waste and provide guidance to co streams of industrial waste (recommendations/warnings based on unpacking inspections incineration plants and on-site surveys)
- Ban delivery of recyclable paper to incineration plants, redirect to recycling routes, etc.

Basic policy 3: Promote sound and efficient waste management with attention to the environment

Waste that is left behind even after genuine efforts in the 3R's needs to be treated and disposed of appropriately. The City will work to reduce environmental load in every step of waste management and in the most efficient way. We will cooperate closely with the Uhon of Waste Incineation Facilities to ensure safe and stable municipal waste management, including emergency response to natural disasters. We will also conduct various investigations and studies on the 3R's and sound waste management

(Major measures)-

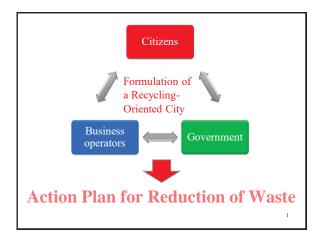
- 3 (1) Promote environment-conscious waste management
- Contribute to GHG emissions reduction through reduction of waste incineration, use of eco-vehicles for collection, etc.

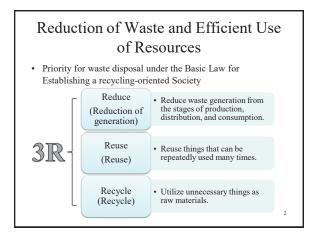
3 - (2) Improve efficiency further and establish safe and stable system

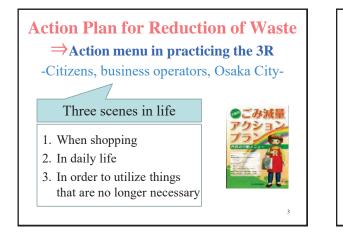
• Expand contracting of household waste collection/transportation to private service providers Build waste management systems capable of transporting and disposing of disaster waste appropriately and speedily in heavy disaster situations

3 - (3) Study on 3R's and sound waste management

- Study possible program for designating recycling operators to promote reduction and recycling of business-related waste
- Evaluate effectiveness of policy measures and study possible waste reduction measures based on economic approaches, etc.





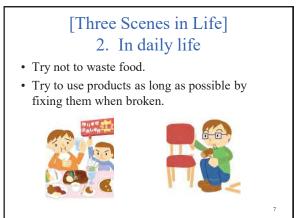


[Three Scenes in Life] 1. When shopping

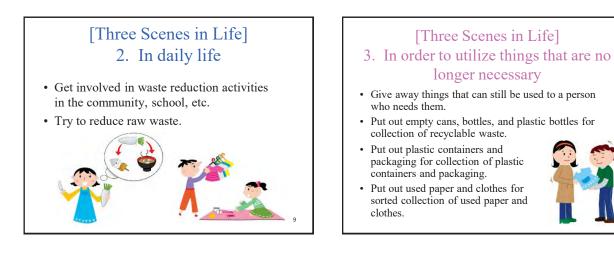
- Bring your grocery bags when going shopping.
- Refuse excessive packaging.
- Choose refillable products and compact products.
- Choose products that are sold loosely and by measure.
- Choose products that are in reusable containers.
- Choose recycled goods.





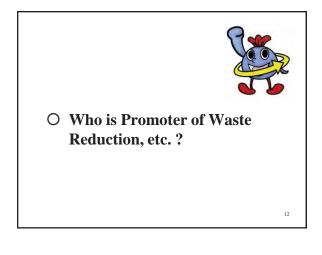


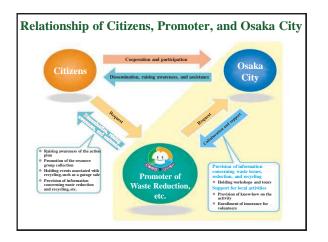


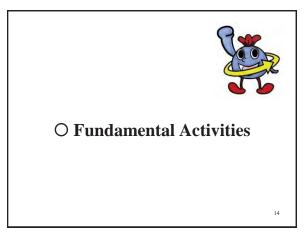












- (1) Dissemination and raising awareness regarding reduction of waste
- (Utilization of the action plan for reduction of waste) (2) Promotion of reuse and recycling activities
- (Resource group collection, etc.)(3) Promotion of waste that are put out for sorted
- collection
- (4) Provision of information, etc. concerning waste reduction and recycling, and other matters
- (5) Promotion of efforts for beautification activities

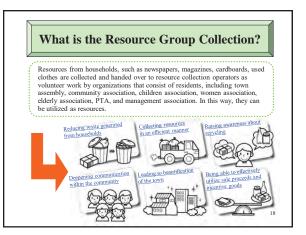


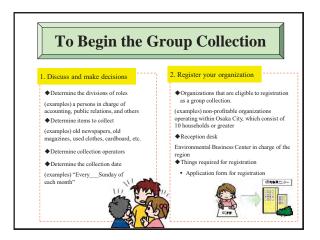


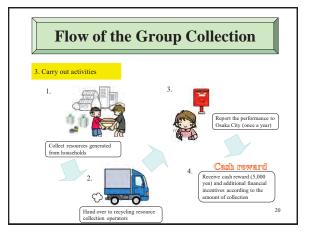
- Promoting the "Action Plan for Reduction of Waste"
 - Holding briefing sessions
 - Utilization of meetings and gatherings in the community
 - Utilization of community notices

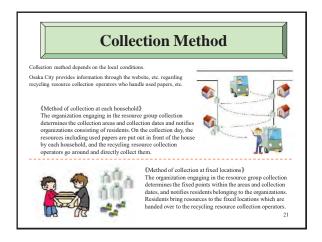


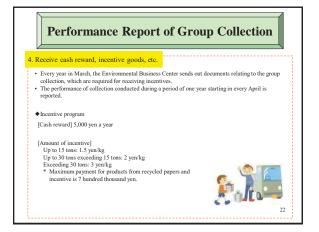




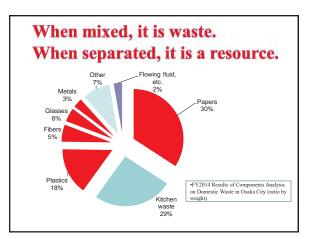




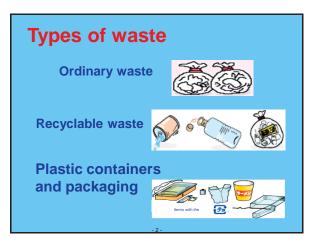




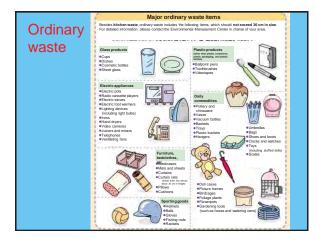


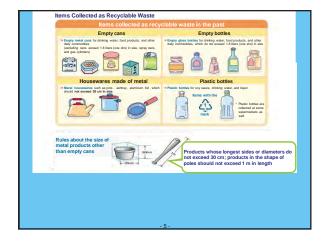


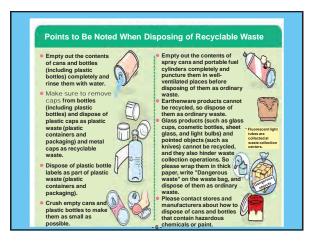






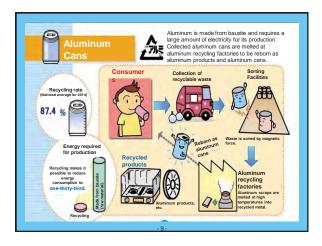


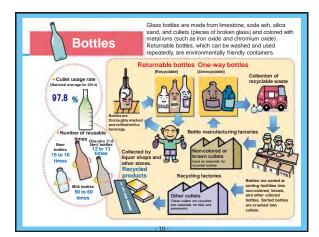








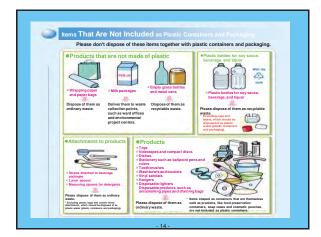


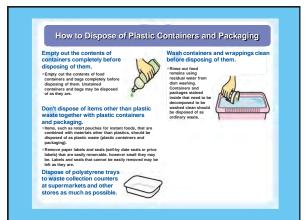


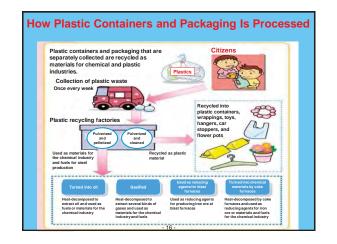








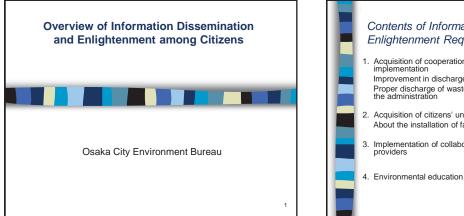


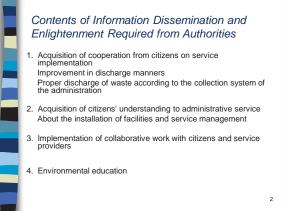








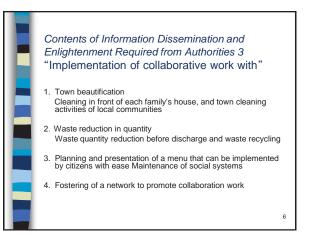








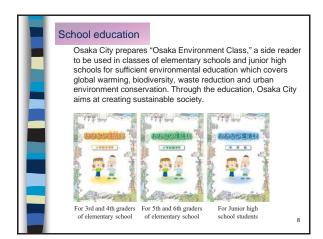


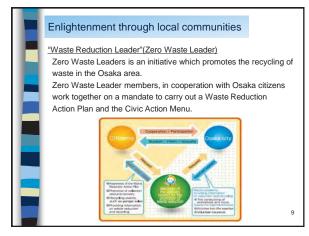




Contents of Information Dissemination and Enlightenment Required from Authorities 4 "Environmental education and waste problem education"

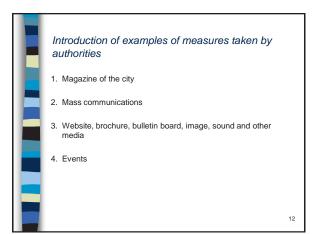
- 1. Home education
- 2. School education
- 3. Social education
- 4. Enlightenment through local communities and NPOs Heightening the social evaluation of citizens and enterprises. EcoMark, Green Mark, R Mark, etc. ISO14001 arrangements.





Guidance for citizens and enterprises' consciousness	
1. Guidance with merits provided Subsidy and commendation systems	
 Guidance with demerits imposed Regulation instruction measures: Regulations, instructions, penalties, and charges 	
3. Promotion of volunteer activities and philanthropy activities	
	10























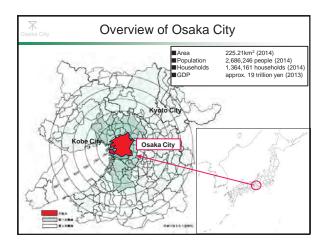


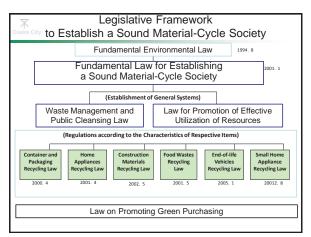
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Collection and Treatment of Used Fluorescent Lamps and Other Wastes in Osaka City

July 14th, 2016 Osaka City Government Environment Bureau

Contents Contents Overview of Osaka City Current practices for waste segregation and treatment Collection and recycling methods for used fluorescent lamps and other wastes Budget Future efforts



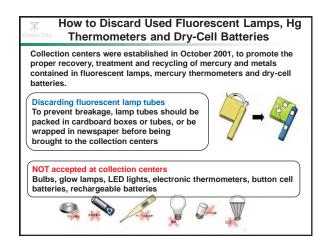






	e Collection	Centers
ncourage recyclin	ng, we have place I environment ma e collection cente	aste disposed and to ad collection boxes magement centers, rs.
Fluorescent lamp tub		meters, dry-cell
batteries, ink cartridg maternity clothing, b Number and loca	aby clothing and ch	
maternity clothing, b	aby clothing and ch	ildren's clothing
maternity clothing, b Number and loca	aby clothing and ch	ildren's clothing

			(Unit: tons)
	2013	2014	2015
Fluorescent lamps/ Hg thermometers	18	18	18
Dry-cell batteries	64	69	73
Ink cartridges	4	4	2.3
Used small, home appliances	6.5	12.3	13.5
Maternity, baby and children's clothes	23	21	25



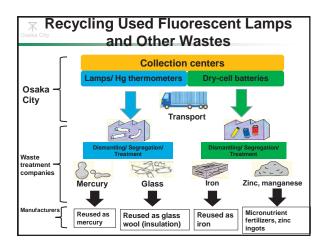












Budget for 2016			
Activity	Content	Budget (JPY)	
Waste collection at collection centers	Purchasing collection containers for fluorescent lamps and other wastes; creating pamphlets, etc.	5,154,000	
Awareness-raising and promotion of waste reduction and 3Rs	Conducting classes and lectures on recycling, etc.	2,230,000	
Engaging in initiatives with the local community that promote waste reduction and recycling	Local awareness raising activities such as waste reduction campaigns during local festivals, garage sales, conducting tours for citizens, and commissioning waste reduction promotion officers	15,580,000	
Educational materials for schools	Developing a supplementary book for elementary and middle schools, titled "Osaka Environment Department"	5,954,000	
Treatment of used fluorescent lamps and other wastes	Paying the treatment fee to waste treatment companies	7,808, 000	

Future Efforts

We will continue to promote the collection and recycling of used fluorescent lamps by:

- Thoroughly raising awareness on the community level: Informing citizens on the dangers of mercury and educating them on proper treatment and disposal methods Taking advantage of community events to increase collection: Like in the past, taking various community-level events as opportunities to
- promote collection of waste •Promoting recycling of used fluorescent lamps that are emitted from
- Promoting recycling of table increases, we will provide guidance on As the switchover to LED lighting increases, we will provide guidance on the recycling process for the large amounts of fluorescent lamps that will be discarded
 Properties for the Minamata Convention on Mercury:

 Preparing for the Minamata Convention on Mercury: In October 2013, at Kumamoto City and Minamata City, the "Minamata Convention on Mercury" was adopted and signed. Following this, in June 2015, the "Act to Prevent the Mercurial Pollution of the Environment" was enacted in Japan



Attachment 7 Pictures of Activities 2nd Activity in Malaysia



Attachment⑦ Pictures of Activities 5th Activity in Malaysia



Exchanging opinion between DOE and Nomura Kohsan with company which are Cenviro and SP.

6th Activity in Malaysia

<image/>	Househild Elask Dut m. Dut	
Meeting with SP $(1^{st}, November, 2016)$	Meeting with SP $(1^{st}, November, 2016)$	
Interview with Mr. Kumar (CEO) of SP.	Content of discussion	

Attachment⑦ Pictures of Activities 9th Activity in Malaysia

