

Malaysia is not a “Garbage Dump”:

Citizens against corruption, complacency, crime, and climate crisis



Open burning of plastic waste in Pulau Indah in Klang. This photo was taken by Greenpeace Malaysia between October and November 2018.



A report by

**THE CENTER TO COMBAT CORRUPTION
AND CRONYISM**

Author: Wong Pui Yi

EXECUTIVE SUMMARY

In 2018, China's National Sword Policy came into effect, banning 24 types of solid waste imports to the country including plastic and paper waste. This caused a global disruption of the market for recyclable material and redirected plastic waste to Southeast Asia and other developing countries with weaker regulatory frameworks and less technical capacity to deal with the massive amounts of waste. From January to November 2018, Malaysia became the world's top destination for plastic waste exports, importing more than 750,000 tonnes of plastic waste including foreign municipal or household waste. The massive influx of waste to Malaysia led to a sharp rise in illegal recycling facilities as well as illegal dumpsites, causing land, water and air pollution that has affected several communities nationwide.

This report examines the value chains of the import, transport, and processing of plastic waste in Malaysia, tracing the actors and agencies involved in regulating the value chains. Data is drawn from 40 interviews conducted with chain and non-chain actors from the government, businesses and community-based organisations, as well as from secondary reports and news articles. Research was conducted from November 2019 to March 2021.

The **overall aim** of this study was to examine the illegality surrounding plastic recycling in Malaysia, how it occurred, and the implications on the peoples' right to a safe, clean, healthy, and sustainable environment. **Three key questions** were:

- How did the plastic waste enter Malaysia with such ease and what elements of illegality surrounded the plastic recycling facilities?
- What are the roles played by the federal, state and local governments in governing the plastic waste recycling industry?
- What are the weaknesses of legal and policy frameworks in Malaysia in this area?

Key findings

The problems plaguing the plastic recycling industry are not new to Malaysia, including allegations of smuggling, factories operating with no proper licences and pollution controls, gangsterism, political-business nexus, and a lack of public access to information. The ease with which illicit activity took place throughout the value chain, in so many locations around Malaysia, and the impunity with which actors functioned despite causing severe environmental destruction, points to pervasive **petty corruption** and **complacency** of regulators and businesses. The experience also exposed weaknesses in enforcement and oversight mechanisms in Malaysia, which have enabled the prevalence of **environmental crimes** that will exacerbate the **climate crisis** and further threaten peoples' health, a serious concern in the face of the COVID-19 pandemic.

This plastic waste crisis has deepened the trust deficit between local communities suffering from pollution and the government. While the communities accused the government of corruption and collusion with businessmen and gangsters, some government officers were

suspicious of the community groups, viewing them as minority voices over-exaggerating the issues, having alternate motives, or wrongfully blaming the government.

A key difference between the plastic waste crisis and other forms of petty corruption, poor governance or illicit international trade that plagues the country is that plastic waste has direct and tangible consequences on human and environmental health, which has awakened an otherwise tolerant citizenry against institutionalised corruption. The local communities affected by illegal plastic recycling, later joined by other segments of society including the civil service, had mounted an admirable fight not only against plastic pollution, but also against corruption, complacency, crime, and the climate crisis.

Recommendations

- The illegal waste trade is extremely difficult to monitor and control. The capacity of enforcement agencies in a developing country like Malaysia is clearly limited. This is where the international community plays a crucial role. In particular, western developed countries must take responsibility for solid waste generated by their people and stop the export (legal or illegal) of non-recyclable or hazardous plastic waste. **A complete ban on the export and import of plastic waste should be considered.**
- **If a ban is not feasible, at the very least, exporting countries should institute controls that will only allow the export of waste with a maximum of 0.5% contamination rate, according to the Basel Convention.** Allowing the continuous exports of mixed, contaminated waste will only lead to more pollution in importing countries.
- **The Malaysian government, businesses and communities must come together in multi-stakeholder, multi-level efforts to address the challenges of balancing economic growth and environmental protection.** The plastic waste crisis clearly shows that, to address the problem of pollution, the root causes must be addressed. Action must be taken throughout the supply chain, beginning with the approval of projects and permits, until waste management. Putting blame and responsibility on enforcement agencies each time pollution occurs is highly ineffective for developing long-term solutions.
- The right to a safe, clean, healthy and sustainable environment is becoming increasingly relevant in the face of a climate crisis. The substantive elements of this human right are the full enjoyment of the right to life, health, food, water, sanitation, adequate standard of living and more. It is important that the government enhances institutional and legal frameworks to protect these substantive elements by **increasing penalties for environmental pollution, enhancing monitoring and enforcement efforts, and targeting anti-corruption measures among enforcement agencies through the implementation of the National Anti-Corruption Plan (NACP) 2019-2023.**
- There is also an urgent need to promote the procedural elements of this right to a healthy environment. The right to information, public participation, and effective remedy are

procedures that are vital for environmental protection and good governance. Aside from enhancing environmental laws and governance mechanisms, this report recommends that the Malaysian government enact a **Right to Information Act**, strengthen the **Whistleblower Protection Act 2010**, reintroduce **local government elections**, develop a **National Action Plan on Business and Human Rights**, and align economic development more substantively with the **Sustainable Development Goals**.

- A **culture of openness** instead of the prevailing culture of secrecy will enable transparency and accountability, prevent corruption and curb the abuse of power. Increasing transparency can serve both the business community and the people by enhancing the level of trust in the authorities and encouraging scientific, evidence-based decision-making. It is exceedingly important for the business community to embrace business and human rights principles, to bring economic progress without compromising the peoples' right to a healthy environment, and to mitigate against the climate crisis.