

Extended Producer Responsibility

According to OECD, Extended Producer Responsibility (EPR) schemes are organizational mechanisms for the prevention and management of waste that concern certain types of products and are primarily based on the polluter-pays principle. This principle emphasizes the idea of extended producer responsibility, according to which producers, i.e., the legal persons responsible for placing certain products on the market (namely producers, brand owners and importers), with government oversight, are made responsible for financing and organizing the prevention and management of waste from these products at the end of their life.

In other words, Extended Producer Responsibility (EPR) is a policy tool that extends the producer's financial and/or operational responsibility for a product to include the management of the post-consumer stage, in order to help meet national or EU recycling and recovery targets. EPR policies thus generally shift the waste management cost or physical collection partially or fully from local governments to producers.

It is to be noted that the EPR scheme is not a tax. Contributions from producers are thus directly used by the Producer Responsibility Organisation (PRO). Thus, this contribution didn't require additional budgetary resources from State, and is not "absorbed" into the overall public expenditure.

In order to meet the principles of EPR, producers usually organize themselves collectively to fulfil their obligations within the framework of PROs, whether non-profit or for profit. The mission of these PROs is to meet the challenges of reduction, reuse and recycling in the circular economy, thus playing a key role to the fight against climate change, the preservation of resources and biodiversity, and the reduction of carbon impact of product placed on the market.

With reference to European Union, the Packaging and Packaging Waste Directive (please refer <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=LEGISSUM:l21207> for the mentioned directive) requires Member States to set up systems for the return and/or collection and reuse or recovery (including recycling) of used packaging from the consumer in order to meet the EU recycling targets. Thus, the EU imposes the legal obligation of meeting the recovery and recycling targets on Member States. However, national governments may, and often do, delegate this legal obligation to producers/importers through the setting of EPR schemes.

In India, Extended Producers Responsibility (EPR) regime is under implementation in Plastic Waste Management Rules, 2016, according to which it is the responsibility of Producers, Importers and Brand-owners to ensure processing of their plastic packaging waste through

recycling, re-use or end of life disposal (such as co-processing/Waste-to-energy/Plastic-to-oil/roadmaking/industrial-composting). It is to be noted that India generates 3.5 million tonnes of plastic waste annually.

In order to streamline implementation process of EPR, the Ministry of Environment, Forest and Climate Change, Government of India, in its fourth Amendment to the Plastic Waste Management Rules, dated February 16, 2022, notified 'Guidelines on Extended Producer Responsibility for Plastic Packaging' in the Schedule II of the Rules. As per these guidelines, Producers, Importers and Brand Owners (PIBOs) shall have to register through the online centralized portal developed by the Central Pollution Control Board (CPCB). To ensure compliance, the Central Pollution Control Board (CPCB) has begun issuing show-cause notices to all unregistered PIBOs. This step aims to encourage their registration and adherence to the PWM Rules, fostering responsible waste management practices.

At this juncture, it would be of immense academic and research interests to explore Extended Producer Responsibility Target for manufacturer and importer of plastic raw material as provided under Plastic Waste Management (Amendment) Rules, 2024.

- (i) The extended producer responsibility of producers, which are micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006, hereinafter referred to as micro and small producers, shall be fulfilled by manufacturer or importer of plastic raw material who has supplied the plastic raw material to such micro and small producers, provided that the target for use of recycled plastic content shall be fulfilled by such producers.
- (ii) The Extended Producer Responsibility target category-wise for manufacturer or importer of plastic raw material shall be the quantity of plastic raw material sold to micro and small producers where the sale invoice is authenticated by the manufacturer or importer of plastic raw material, on the centralized online portal, excluding the sale made by such micro and small producers to Brand Owners and Producers, which are not categorized as micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006.
- (iii) The producer, which is a micro or small enterprise, shall declare category of plastic packaging manufactured by it on the centralized online portal.
- (iv) While fulfilling the Extended Producer Responsibility target the manufacturer or importer of plastic raw material shall ensure minimum level of recycling (excluding end of life disposal) of plastic packaging

waste collected under the Extended Producer Responsibility Target, category-wise, as given in the Table below-

Minimum level of recycling (excluding end of life disposal) of plastic packaging waste (% of Extended Producer Responsibility Target)

Plastic packaging category	2024-25	2025-26	2026-27	2027-28 and onwards
(1)	(2)	(3)	(4)	(5)
Category I	50	60	70	80
Category II	30	40	50	60
Category III	30	40	50	60

To put in a nutshell, the EPR guidelines under various Rules / Regulations broadly emphasise the following dimensions:

1. *Plastic Waste Management Rules (PMWR)*: In view of the hazardous nature of non-biodegradable plastic, the producers should proactively manage and foster recycling per EPR requirements. Key elements in plastic EPR include-
 - a) Producers manage plastic waste through collection systems or partnerships with waste organisations.
 - b) Producers financially assist organisations for infrastructure, awareness, and streamlined plastic recycling.
2. *E-Waste Management Rules (EWMR)*: E-Waste rules lays thrust on proper electronic trash handling in India. In this regard, the primary obligations of the producers of electronic items are:
 - a) Producers establish or support e-waste collection centres for approved recyclers.
 - b) Producers submit an EPR strategy outlining e-waste management, encompassing collection, transportation, recycling and awareness.
 - c) Producers obtain SPCB (State Pollution Control Board) authorizations, follow rules, and ensure environmentally friendly e-waste recycling.
3. *Battery Waste Management Rules*: EPR guidelines for batteries prioritize safe disposal and recycling of the batteries. In this regard, the battery producers' obligations are as under:
 - a) Battery producers manage safe disposal / recycling, facilitating customer returns.
 - b) Submit EPR plan detailing battery management while meeting recycling goals.
 - c) Regulations mandate collection centres / partnership for disposal.
 - d) Conduct consumer education campaign on proper batter disposal / recycling.

Further, Battery Waste Management (Second Amendment) Rules 2024 as notified on June 20, 2024 prescribes the minimum use of the recycled materials out of total dry weight of battery (in percentage) in respect of financial year 2027-28, 2028-29, 2029-30 and year 2030-31 onward for portable, electric vehicle, automotive and industrial batteries respectively.

4. *Hazardous and Other Wastes (Management and Transboundary Movement) Amendment Rules, 2022*: Tyre waste, notable for its size and durability, requires proper handling and disposal. EPR recommendation under the Rules guides in managing tyre waste responsibly. Following are the basic pre-requisites-
 - a) Tyre producers manage waste responsibly, reporting yearly adjustments and establishing collection facilities for worn tyres.
 - b) Manufacturers register, provide reports on tyre waste, including quarterly data on responsibility certificates, new tyre details, and quantities.
 - c) Regulations encourage eco-friendly tyre recycling through methods like retreading or material recovery.
 - d) Recyclers report on materials, finished goods, and EPR certificates. Waste tyre importers adjust responsibility based on waste percentage.

To conclude, Extended Producer Responsibility marks a paradigm shift in environmental governance, transferring the onus of product lifecycle management from public entities to manufacturers. This incentivizes the creation of recyclable and durable products, thereby providing a fillip to the circular economy which gives importance to sustainable practices.

However, the efficacy of EPR depends on the seamless execution of policies, the establishment of a solid waste management infrastructure, and the collaborative endeavours of all stakeholders involved. Addressing bottlenecks such as public awareness and recycling capabilities is vital for maximizing EPR's environmental impact. Thus, it may be opined that EPR is integral towards world's journey towards ecological sustainability, requiring concerted efforts from manufacturers, consumers and the government to surmount barriers and ensure its successful implementation.

References:

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