

What are the provisions related to Surplus Extended Producer Responsibility Certificates generated during fulfilment of E.P.R. targets?

Para 8 of the Plastic Waste Management Handling rules 2022 (GSR 133 E;16-02-2022) makes provisions for utilisation of surpluses generated during fulfilment of Extended producer Responsibilities.

It provides at 8.1 that the surpluses generated could be used in offsetting the previous years short fall, carried forward for use in succeeding year or sold to other Producers, importers and Brand Owners.

The proviso specifically provides this for 'Brand Owners' and fails to address to the applicability of this clause to the Producers and Importers. It may need to be clarified if these (Para 8.1) of provisions apply also to producers and importers.

Para 8.2 provides that the surpluses generated in one category (i.e. Rigid plastic packaging; Flexible plastic packaging or single or multi-layer; multi layered plastic packaging and plastic sheets or like used for packaging as well as carry bags made of compostable plastics) can be used in offsetting, carry forward or sale in the same category. A surplus under reuse can be used only for reuse, recycling and also end of life disposal. A surplus under recycling can be used for recycling and end of life disposal. A surplus under end-of-life disposal cannot be used for reuse or recycle.

Para 8.3 provides that Producers, Importers and Brand Owners can meet their EPR targets by purchasing surplus E.P.R. certificates from other PIBO's of the same category and 8.4 says that all such transactions shall be recorded and submitted by PIBO's on the on-line portal while filing annual returns under the E.P.R. frame work and that the CPCB will develop a mechanism for such exchange on the centralised portal.

Some important additions were made in 2024 (GSR 201 E, 14-03-2024) and provide that:

- I. The CCPB shall issue guidelines for authorisation of agencies for establishment of electronic platform for trade of extended producer liability certificates between obligated entities. (8.5).
- II. The number of electronic platforms may be restricted depending on the volume of trade in EPR certificates (8.6).
- III. The electronic platform shall be operated as per guidelines issued by the CPCB with approved of the Central Government.
- IV. The Central Pollution Control Board (CPCB) shall fix the highest and the lowest price for extended producer responsibility certificates which shall be equal to 100% and 30% respectively of the environmental compensation on the obligated entities for non-fulfilment of Extended Producer Responsibility obligations.
- V. The exchange price of EPR certificate between registered entities through the portal shall be between the highest and lowest prices as fixed above.