

Extended Producer Responsibility (EPR) for plastic waste



India's annual plastic waste production amounts to 3.5 million tonnes, with only half of it being properly processed. The remainder is strewn across the environment, finding its way into water bodies and landfill sites, posing significant threats to the ecosystem¹.

To tackle this issue, the Ministry of Environment, Forest and Climate Change (the ministry) notified the Plastic Waste Management Rules, 2016 (PWM Rules). These rules mandate plastic waste generators to reduce waste generation actively, prevent littering, store waste separately at its source, and hand over segregated waste in accordance with the regulations.

In line with this effort, the ministry further released detailed guidelines on EPR for plastic packaging in February 2022. These guidelines provide a framework for the implementation of EPR, including the roles and responsibilities of producers, importers, brand owners, recyclers, waste processors, etc. The PWM Rules via EPR have cast responsibility on producer, importer, and brand owners (PIBOs).

Taking a proactive stance to ensure compliance, the Central Pollution Control Board has initiated issuing show-cause notices to all the unregistered PIBOs. This step is intended to drive them towards registration and adhere to the PWM Rules, thereby promoting responsible waste management practices.

Entities required to get registered:

01

Producer (P) of plastic packaging

A producer is a person engaged in the manufacture or import of carry bags or multi-layered packaging or plastic sheets or the like, and includes industries or individuals using plastic sheets or the like, or covers made of plastic sheets or multi-layered packaging for packaging or wrapping the commodity

02

Importer (I)

A person who imports plastic packaging products or products with plastic packaging or carry bags or multi-layered packaging or plastic sheets or the like

03

Brand owner (BO)

- A person or company who sells any commodity under a registered brand label or trademark.
- BO, including online platforms/ marketplaces and supermarkets/ retail chains other than those, which are micro and small enterprises, as per the criteria of MSME.

04

Plastic waste processor (PWP)

Recyclers and entities engaged in using plastic waste for energy (waste to energy), and converting it to oil (waste to oil), industrial composting

Notes:

- Separate registration would be required for each of the above categories.
- Registration and renewal application are to be made before the concerned State Pollution Control Board/ Pollution Control Committee or Central Pollution Control Board (as applicable).
- Goods imported in plastic packaging by service providers (IT/ ITeS companies, R&D units, etc.) are also covered.
- Importers of various items, such as primary products, chemicals, machinery, textiles, articles, etc., which are not plastic packaging but are packed in plastic packaging, are also required to take the said EPR registration.

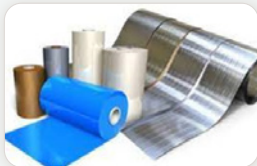
1. <https://pib.gov.in/PressReleaseDetail.aspx?PRID=1849865>

Coverage of Extended Producer Responsibility:



Category 01

Rigid plastic packaging



Category 02

Flexible plastic packaging of single layer or multi-layer (more than one layer with different types of plastic), plastic sheets or the like and covers made of plastic sheet, carry bags, plastic sachets or pouches



Category 03

Multi-layered plastic packaging (at least one layer of plastic and at least one layer of material other than plastic)



Category 04

Plastic sheet or the like used for packaging as well as carry bags made of compostable plastics.



Role and responsibilities of PIBOs

- Obtain EPR registration and prepare a plan of action.
- Fulfil EPR obligations (refer Annexure 1) based on the targets provided in the guidelines for:
 - Recycling
 - Use of recycled content
 - Reuse
 - End-of-life disposal
- Maintain required records
- File annual returns



Impact of non-compliance on PIBOs

- The entities covered under the registration requirement cannot carry out business without obtaining registration.
- The entities registered under EPR cannot deal with entities required to obtain EPR registration but have not registered themselves.
- Imposition of environmental compensation (EC) in case of failure to meet the EPR targets. Kindly note that the payment of EC does not absolve PIBO from EPR obligations.

How can Grant Thornton Bharat help?

Our team of professionals can provide a solution for evaluation, applying for registration, assisting in representing before the authorities, including for resolution of ambiguity and assisting in annual filings.



Evaluate registration requirement

- Evaluate registration requirement and, if necessary, represent before authorities for discussion and resolution of ambiguity (if any).



Prepare and file registration application

- Review and collate requisite documents/information/action plan/plastic waste quantity details/ etc to prepare the application.
- Assist in filing an application before the State Pollution Control Board or Central Pollution Control Board as applicable.



Support in obtaining registration certificate and representing before authorities

- Support in obtaining a registration certificate, including following up with the authorities.
- Preparation of additional replies, queries, and representation before the authorities (if necessary).



Filing annual returns

- Assist in preparing and filing annual returns.



Annexure 1 - EPR obligations

EPR target:

| Year | EPR Target (% of Q) |
|---------|---------------------|
| 2021-22 | 25 % |
| 2022-23 | 70 % |
| 2023-24 | 100 % |

For producer and importer
 $Q = (A + B) - C$

For brand owner
 $Q = A + B$

Where
Q: Eligible quantity in MT

A.

For producer - Average weight of plastic packaging material (category-wise) sold in the last two financial years.

For importer - Average weight of all plastic packaging material and/or plastic packing of imported products (category-wise) imported and sold in the last two financial years.

For brand owner - Average weight of virgin plastic packaging material (category-wise) purchased and introduced in the market in the last two financial years.

B:

Average quantity of pre-consumer plastic packaging waste in the last two financial years.

C:

Annual quantity supplied to the brand owner in the previous financial year.

Obligation for recycling:

% of EPR target

| Plastic packaging category | 2024-25 | 2025-26 | 2026-27 | 2027-28 and onwards |
|----------------------------|---------|---------|---------|---------------------|
| Category I | 50 | 60 | 70 | 80 |
| Category II | 30 | 40 | 50 | 60 |
| Category III | 30 | 40 | 50 | 60 |
| Category IV | 50 | 60 | 70 | 80 |

Obligation to use recycled plastic content:

% of plastic manufactured (P)/ imported plastic (I)/ manufactured (BO) for the year

| Plastic packaging category | 2025-26 | 2026-27 | 2027-28 | 2028-29 and onwards |
|----------------------------|---------|---------|---------|---------------------|
| Category I | 30 | 40 | 50 | 60 |
| Category II | 10 | 10 | 20 | 20 |
| Category III | 5 | 5 | 10 | 10 |

For importer - Only option is to buy EPR certificates for fulfilling this obligation.

End of Life disposal:

PIBO's shall ensure end-of-life disposal of the plastic packaging waste only through methodologies specified in PWM Rules.

Additional obligations:

Additional obligation to be fulfilled based on PWM Rules and EPR guidelines

Note:

Producers, importers and brand owners can also meet their EPR obligations under a category by purchasing surplus EPR certificates from other producers, importers, brand owners and PWP of the same category.



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