



## **ENVIRONMENT**

-COPY OF-

### **NOTIFICATION**

**Dated 31<sup>st</sup> December, 2021**

The following draft notification which the Central Government proposes to issue, in exercise of the powers conferred by sections 6, 8 and 25 of the Environment (Protection) Act, 1986 (29 of 1986), for bringing out regulations for extended producer responsibility (EPR) for waste tyre is hereby published as required under sub-rule (3) of rule 5 of the Environment (Protection) Rules, 1986, for information of the public and other stakeholders likely to be affected thereby and notice is hereby given that the said notification will be taken into consideration by the Central Government on or after the expiry of sixty days from the date on which copies of this notification as published in the Gazette of India are made available to the public;

Any person interested in making any objection or suggestion on the proposals contained in the draft notification may do so in writing within the period so specified through post to the Secretary, Ministry of Environment, Forest and Climate Change, Indira Paryavaran Bhawan, Jor Bagh Road, Aliganj, New Delhi-110003 or electronically at email address: mishra.vp@gov.in or vinodsingh.77@gov.in.

## Draft Notification

Whereas, a committee was constituted for Circular Economy in Tyre and Rubber Recycling Industry to prepare a comprehensive action plan for transformational change for managing the waste tyre;

And whereas, the committee included the representatives of National Institute for Transforming India (NITI Aayog), Department for Promotion of Industry and Internal Trade, (DPIIT), Ministry of Commerce & Industry, Central Pollution Control Board, National Highway Authority of India Limited, CSIR-National Environmental Engineering Research Institute, Maharashtra Pollution Control Board, United Nations Development Programme (UNDP) India, Indian Oil Corporation Ltd, All India Rubber & Tyre Recyclers Association (AIRTRA), Automotive Tyre Manufacturers Association (ATMA), Indian Rubber Manufacturers Research Association (IRMRA), Tina Rubber and Infrastructure Limited, Aditya Birla Group, GRP Ltd etc;

And whereas, the Ministry consulted with all stakeholders on Circular Economy in Tyre and Rubber Recycling Industry to prepare a comprehensive action plan for transformational change for managing the waste tyre;

And whereas, using the outcomes of a series of stakeholder meetings and the inputs of the expert committee on the subject, report on Tyre Scrap: Circular Economy was formulated by the Ministry which inter-alia included recommendations on EPR for managing the waste tyre. This was approved by the Competent Authority in the Ministry and submitted to NITI Aayog in August, 2021;

Now therefore, in exercise of powers conferred under sub rule (3) of the rule 5 of the Environment (Protection) Rules, 1986, the Central Government, hereby notifies the Regulations on the Extended Producer Responsibility for waste tyre under the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, as amended from time to time, as follows:

### Regulation on Extended Producer Responsibility for Waste tyres

#### 1. Background

1.1 The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, mandated for management of hazardous and other wastes. Waste pneumatic and other tyre is classified as other waste and is listed in Schedule – III, Part B at Basel No. B-3140.

1.2 Ministry of Environment, Forest and Climate Change, Government of India proposes to have Extended Producer Responsibility regulations for managing the waste tyres. This regulation is prepared for achieving resource efficiency in tyres by meeting the sustainable development goals and making the economics of waste tyre a circular one by managing the waste tyre in an environmentally sound manner.

#### 2. Date of Coming into Effect

This regulation shall come into force **from the Financial Year 2022-23**.

#### 3. Definitions

- (a) **‘Business’** means any activity of production/manufacturing of new tyres, import of new/waste tyres and recycling of waste tyres.
- (b) **‘Conversion factor’** means units of waste tyre needed to produce one unit of each recycling product and would be prescribed by CPCB as per clause 7.1 (ii)
- (c) **‘Environmentally sound management of waste tyre’** means taking all steps required to ensure that waste tyre is managed in a manner which shall protect health and environment against any adverse effects, which may result from such waste tyre;
- (d) **‘Extended Producer Responsibility’** means responsibility of producer of tyre to ensure environmentally sound management of such waste tyre as per the provisions of this regulation.
- (e) **‘Producer’** means any person or entity who;

- (i) manufactures new tyre; or/and
  - (ii) imports new tyre; or/and
  - (iii) imports waste tyre.
- (f) **‘Recycling’** means any process or action of converting Tyre waste into following end products, in an environmentally sound manner and having facilities as elaborated in the SOPs / guidelines as given by CPCB:
- a) Reclaimed rubber
  - b) Crumb rubber
  - c) Crumb rubber modified bitumen (CRMB)
  - d) Recovered Carbon black
  - e) Pyrolysis oil/Char
- (g) **‘Recycler’** means any entity engaged in the process of recycling.
- (h) **‘Recycling Target’** means quantity of waste tyre to be recycled as per the provisions of clause 6 of this regulation.
- (i) **‘SOP’** means Standard Operating Procedure, a document prepared by CPCB elaborating minimum requirement of equipment and processes.
- (j) **‘Guidelines’** means a document prepared by CPCB elaborating minimum requirement for achieving environmentally sound management of waste tyres including handling, collection, transportation and storage and recycling of waste tyre.
- (k) **‘Portal’** means the online mechanism developed by CPCB for implementation of this EPR regulation.
- (l) **‘Waste tyre’** means any tyre that is no longer mounted on a vehicle and is no longer used for its intended purpose.

#### **4. Entities to be covered under EPR Regulations**

The following entities will be covered under the EPR obligations under this regulation:

- (i) Producer.
- (ii) Recycler of waste tyre.

#### **5. Registration**

5.1 The following entities shall register on the centralized portal of CPCB:

- a) Producer.
- b) Recycler of waste tyre.

5.2 No entity shall carry out any business without registration.

5.3 The entities registered under clause 5.1 shall not deal with any unregistered producer/recycler.

5.4 In case, any registered entity furnishes false information or willfully conceals information for getting registration or return /report/information required to be provided/furnished under this regulation or in case of any irregularity, the registration of such entity may be revoked by CPCB for a period up to three-years after giving an opportunity to be heard. In addition, environmental compensation charges may also be levied as per clause 12 of this regulation in such cases.

5.5 In case any entity is producer as well as recycler, then the entity shall register under those categories separately.

5.6 The CPCB may charge reasonable registration fees from the applicants with the approval of the steering committee.

## 6. Modalities of the EPR Regime

6.1 All producers shall have EPR obligations as under:

### (a) For manufacturers/importers of new tyres:

Sl. No	Year	Waste Tyre Recycling Target in Weight (KG or Tons)
(i)	EPR obligation of the Year 2022-23 (The year in which this regulation comes into force)	35% of the quantity of new tyres Manufactured/imported in Year 2020-21
(ii)	EPR obligation of the Year 2023-24	70% of the quantity of new tyres Manufactured/imported in Year 2021-22
(iii)	EPR obligation of the Year 2024-25	100% of the quantity of new tyres Manufactured/imported in Year 2022-23.
(iv)	After 2024-25 (Year Y), the EPR obligation will be 100% of the quantity of new tyres manufactured/imported in the year (Y-2).	
(v)	Units established after 1 <sup>st</sup> April, 2022, the EPR obligation will start after two years (Y) and will be 100% of the new tyres manufactured/imported in the year (Y-2).	

### (b) For waste tyre importer:

(i) The EPR obligation for waste tyre importer in year (Y) will be 100% of the tyre imported in year (Y-1)

(ii) The import of waste tyre for the purpose of producing pyrolysis oil/ char is prohibited.

6.2 The EPR target of producer would be reduced by a factor prescribed by CPCB on account of wear and tear of Tyre.

6.3 The Producer shall fulfill their EPR obligation through online purchase of EPR Certificate from registered recyclers only and submit it online by filing quarterly return. The quarterly return shall be filed by the end of the month succeeding the end of the quarter. The details provided by Producers and registered recyclers will be cross-checked on the online portal. In case of difference, the lower figure would be considered towards fulfilment of EPR obligation of Producer. The certificates shall be subject to environmental audit by the agencies authorized by the Ministry.

6.4 The CPCB will issue standard operating procedure strictly in accordance with these regulations.

## 7. EPR Certificate Generation

7.1 The Central Pollution Control Board shall generate EPR certificate through the portal in favour of a registered recycler in the format as prescribed by CPCB. The eligible quantity for generating EPR Certificates will be calculated as under:

S. No.	End Product of recycling	Quantity of End Product (Q <sub>p</sub> )	Conversion factor prescribed by CPCB (C <sub>F</sub> )	Weightage allocated to the end product (W <sub>P</sub> )	Quantity eligible for generation of EPR certificate (Q <sub>EPR</sub> = Q <sub>P</sub> x C <sub>F</sub> x W <sub>P</sub> )
1.	Rubber Reclamation			1.25	
2.	Recovered Carbon			1.25	

	black				
3.	Crumb rubber Modified Bitumen (CRMB)			1.10	
4.	Crumb rubber			1.00	
5.	Pyrolysis oil and char			0.75	

(i) The quantity eligible for generation of EPR certificate will be calculated by the following formula:

$$Q_{EPR} = Q_P \times C_F \times W_P$$

(ii) Conversion factor  $C_F$  for each end product will be prescribed by CPCB.

(iii) The weightage  $W_P$  will be reviewed by the Steering Committee from time to time in view of the technological advancements, availability of material and other factors.

(iv) The weightage  $W_P$  for imported waste tyres shall be 1 for all categories and the value of waste tyre certificate will be reduced by dividing it by  $W_P$  of respective certificates when the EPR certificates purchased by waste tyre importer are adjusted against their EPR obligation.

7.2 The validity of the EPR certificate will be 2 years from the end of the financial year in which it was generated. The expired certificate automatically extinguished after the period unless extinguished earlier as per clause 8.2.

7.3 Each EPR certificate will have a unique number containing year of generation, code of end product, recycler code and a unique code. The EPR certificates will be in the denominations of 100, 200, 500 and 1000 Metric Tonnes or as may be prescribed by CPCB with the approval of Steering Committee.

## 8. Transaction of EPR Certificates

8.1 A producer can purchase EPR certificates limited to its EPR liability of current year (Year Y) plus any leftover liability of preceding years plus 10% of the current year liability.

8.2 As soon as the producer purchases EPR certificate, it will be automatically adjusted against its liability, Priority in adjustment will be given to earlier liability. The EPR certificate so adjusted will be automatically extinguished and cancelled.

8.3 The availability, requirement and other details of the EPR certificate for every producer/ recycler will be made available on the portal.

8.4 All such transactions shall be recorded and submitted by the Producers/recyclers on the online portal at the time of filing quarterly returns.

## 9. Responsibilities of the producer

9.1 The producer of tyre shall be responsible for fulfillment of Extended Producers Responsibility by purchasing EPR certificates from registered recyclers only.

9.2 File quarterly returns in prescribed Form on the portal of Central Pollution Control Board on or before end of the month succeeding the quarter to which the return relates. Each registered entity shall have to file the quarterly return.

## 10. Responsibilities of the recycler

10.1 All the recycler shall submit on monthly basis the information regarding quantity of waste tyres used and end product produced, EPR Certificate sold and such other relevant information on the portal in the form prescribed by CPCB.

10.2 All the recycler shall file quarterly returns in prescribed Form on the portal of Central Pollution Control Board on or before end of the month succeeding the quarter to which the return relates.

## 11. Online Portal for registration, filing of annual returns, EPR Certificate and tracing of Materials

- 11.1 CPCB shall establish an online system for the registration as well as for filing of quarterly returns, generation and adjustment of EPR Certificate, submission of monthly information by recyclers.
- 11.2 The web portal would act as the single point data repository with respect to regulations and guidelines related to implementation of EPR for waste tyre. The web portal shall have, in addition to other the following information:
- (i) **For producer** – import/ production of new tyres of different years, quantity of waste / new tyres, quarterly return in respect of EPR Certificate purchase, adjustment of EPR obligation for each year, the current year EPR obligation and brought forward obligation of preceding years.
  - (ii) **For recyclers** - facility for submitting information and quantity of recycled material and end product, EPR Certificate generated and sold. It must ensure that value of EPR is reduced by diving it by  $W_p$  in case of waste tyre importer.
  - (iii) The portal shall provide information with respects to current unfulfilled EPR obligations of different producers, the quantity of EPR Certificate with recyclers and surplus EPR Certificate with producers.
  - (iv) Any other facility which is required to streamline the implementation of these regulations with approval of Steering Committee.
- 11.3 Till the online web portal is developed all activities related to implementation of EPR will be done in offline manner.
- 11.4 The CPCB will prescribe format of all the relevant forms/returns for this EPR regulation, in accordance with the forgoing provisions.
- 11.5 The CPCB may charge appropriate processing/registration fee from the producer and recyclers through online portal.

## **12. Environmental Compensation**

- 12.1 CPCB shall lay down guidelines for imposition and collection of environment compensation on the Producers in case of non-fulfilment of obligations set out in this regulations and use of falls EPR Certificate. The said guidelines shall be in accordance with this regulation and will be approved by MoEF&CC before implementation.
- 12.2 The Environment Compensation shall also be levied on the recyclers for issue of falls EPR Certificate and providing false information.
- 12.3 It shall also be levied on unregistered producers, recyclers and any entity which aids or abets the violation of these regulation.
- 12.4 Payment of environmental compensation shall not absolve the Producers of the obligation set out in these regulations. The unfulfilled EPR obligation for a particular year will be carried forward to the next year and so on and up to 3 years. In case, the shortfall of EPR obligation is addressed after 1 year, 85% of the environmental compensation levied shall be returned to the Producers, In case, the shortfall of EPR obligation is addressed after 2 year, 60% of the environmental compensation levied shall be returned to the Producers, and in case, the shortfall of EPR obligation is addressed after 3 year, 30% of the environmental compensation levied shall be returned to the Producers, thereafter no EC will be returned to the producer.
- 12.5 Falls information resulting in over generation of EPR certificates by recycler above 5% of the actual recycled waste will result in revocation of registration and imposition of EC which shall not be returnable.
- 12.6 The funds collected under environmental compensation shall be kept in a separate Escrow account by CPCB. The funds collected shall be utilized in collection and recycling/end of life disposal of uncollected and non-recycled/ non-end of life disposal of waste tyres on which the environmental compensation is levied, and on other heads as decided by the committee. Modalities for utilization of

the funds would be recommended by the Steering Committee and approved by the Competent Authority in MoEF&CC, which may also issue instructions in this regard.

### **13. Prosecution**

Any person, who provides incorrect information required under these regulations for obtaining EPR certificates, uses or causes to be used false/forged EPR certificates in any manner, over generates PR certificates above 5% of the actual waste recycled, willfully violates the directions given under these regulations or fails to cooperate in the verification and audit proceedings, may be prosecuted under section 15 of Environment Protection Act, 1986. This prosecution will be in addition to the EC levied under clause 12 above.

### **14. Verification and Audit**

CPCB by itself or through a designated agency shall verify compliance of Producers/recyclers through inspection and periodic audit, as deemed appropriate. The actions against violations and for non-fulfillment of EPR target, obligations and responsibilities shall be as per clause 12 of this regulation.

### **15. Steering Committee for implementation of EPR Regime for waste tyre**

15.1 There shall be a Steering Committee (SC) under the Chairmanship of Chairman, CPCB or his nominee to oversee the overall implementation of EPR regime for waste tyre. The Steering Committee will comprise of following members in addition to the chair:

- a) Representative of MoEF & CC.
- b) Representatives of Automobile Tyre Manufacturers Associations.
- c) Representatives of Recycler Associations (i.e. manufacturer of reclaimed rubber, crumb rubber, crumb rubber modified bitumen, recovered carbon black and tyre pyrolysis oil manufacturers).
- d) Representatives of SPCB/PCC as co-opted by the chairman of the Steering Committee.
- e) Head of the Concerned Division of CPCB - Member Convener.

15.2 The steering committee shall be responsible for overall implementation, monitoring and supervision of these regulation. It will also decide upon the disputes arisen from time to time and on representations received in this regard, and shall refer to MoEF&CC any substantial issue arisen, pertaining to this regulation.

15.3 The steering committee will review and revise the targets, weightage and permissibility of modes of recycling in view of the technological advancements and other factors with the approval of the Ministry.

### **16. Power to remove difficulties**

The Steering Committee will have power to remove any difficulty in smooth implementation of these EPR regulations.

**Sd/-**  
**(Naresh Pal Gangwar)**  
**Jt. Secy.**

**S.O.5497(E)**

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**Ministry of Environment, Forest and Climate Change**

**New Delhi**

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