Japan Machinery Center for Trade and Investment

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18 November, 2021

Ministry of Environment, Forest and Climate Change (MoEF & CC), Government of India

> Our Comments on Regulation on Extended Producer Responsibility for Plastic Packaging

Dear Sirs

The Japan Machinery Center for Trade and Investment ("**JMC**") is a non-profit organization with the character of a public-interest corporation. It was established in December 1952 in accordance with the Japanese Export and Import Trade Law under the authorization of the Minister of Economy, Trade and Industry of Japan. The objective of the JMC is to engage in activities that enhance the common benefit of member companies and promote the sound development of international trade and investment by the machinery industry. The JMC comprises member companies engaged in machinery and systems-related exports and foreign investments such as machinery manufacturers, trading houses and engineering companies. At present, the total number of JMC member companies is about 240.

Our committee handles environmental and product safety issues of products for trade and is strongly concerned with overseas environment- and product safety-related regulations on products. From this standpoint, we would like to comment regarding the Regulation on Extended Producer Responsibility for Plastic Packaging.

If you have any questions, please feel free to contact our secretariat (Mr. Chiaki Morikawa; e-mail: <u>morikawa@jmcti.or.jp</u>).

Sincerely yours,

Kanno Gasuhiko

KANNO Yasuhiko Chairman Environment Law Committee

18 November, 2021

The Secretary Ministry of Environment, Forest & Climate Change, Indira Paryavaran Bhawan Jor Bagh Road Aliganj, New Delhi-110003

Our Comments on Regulation on Extended Producer Responsibility for Plastic Packaging

We, the Japan Machinery Center for Trade and Investment (JMC), would like to express our gratitude for your efforts regarding the Regulation on Extended Producer Responsibility for Plastic Packaging. We are firmly committed to protecting human health, product safety and the environment and thereby complying with various regulations as defined by many countries, including Europe, the U.S., and India and other Asian countries.

In this spirit, we have carefully and conscientiously examined the Regulation on Extended Producer Responsibility for Plastic Packaging notified by the Ministry of Environment, Forest and Climate Change on 6 October, 2021, and would like to offer the following comments toward making the proposed procedures more practicable, feasible and permanent, while ensuring appropriate and sufficient protection of the environment.

We would greatly appreciate it if you could take them into consideration carefully.

Clauses 7.2(d), 7.3(d), and 7.4(e):

The supply of recycled plastics in the global market is limited and stable procurement of recycled plastics for packaging of electrical and mechanical products is not easy. Therefore, their use in those products is quite challenging.
Even in India, it will be difficult to introduce regulations unless the stable supply of recycled materials and the quality that can ensure product protection are guaranteed.

- For the reasons stated above, it is too early to mandate this from 2023 due to the complexity of determining how to meet the requirements. Adequate preparation time should be provided from the issuance of the regulation.
- It is extremely challenging to re-design packages that are already designed. Packages that are designed at the time these regulations are issued should be excluded from the scope.
- We would like you to clarify the purpose of requiring the use of recycled plastic. Producers will be able to make constructive recommendations if the purpose is clarified.

Clause 7.3(d):

Clause 7.3(d) says, "Any recycled plastic used in imported material shall not be counted towards fulfillment of obligation. The importer will have to fulfil its obligation of use of recycled content (in quantitative terms) through purchase of equivalent quantity from such PIBOs who have used recycled content in excess of their obligation."

However, imported plastic packaging should also be counted toward the EPR target value, as it would become a barrier to imports for the following reasons:

- It is unfair that imported material with recycled plastic are not counted, and importers must "purchase" excess achievement by Indian manufacturers of equivalent quantity regardless of whether they use recycled materials or not.
- If Indian manufacturers do not have a sufficient excess achievement of recycled content use, and achievement is not available for purchase, or if it is available but is offered at an unreasonably high price it will be virtually impossible to import plastic packaging.
- Since packaging materials for various products are imported, it is complicated to actually operate the scheme according to requirements and we fear it may cause confusion in the market as a result.