

PHD House, 4th Floor, Ramakrishna Dalmia Wing 4/2, Siri Institutional Area, August Kranti Marg, New Delhi – 110016, Tel# 9599665859 E-mail: ajafari@mait.com □ Website: http://www.mait.com

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January 02, 2023

Dr. Prashant Gargava Member Secretary Central Pollution Control Board

Subject: MAIT inputs on Module IA (advanced version of Module I for registration of PIBOs) & Module III of EPR Portal for Plastic Waste

Respected Sir.

Greetings from MAIT, India's apex Industry body empowering IT, Telecom & Electronics Hardware.

At the outset, MAIT would like to thank you for your kind consideration for considering MAIT as a member of **Stakeholder group constituted to review development of EPR portal** via Office Memorandum No. B-17011/7/UPC-II/PWM/2022 dated July 18, 2022. It's an absolute honour for MAIT to contribute in the development of the portal.

MAIT also thanks CPCB for extending the invitation for the CPCB-In house demonstration of Module IA (advanced version of Module I for registration of PIBOs) & Module III held on 24<sup>th</sup> November 2022.

MAIT would like to raise a few concerns reg. the recent developments on the EPR portal for Plastic Waste-

Clause: Updation of Module 1A of the PWM EPR Portal mandating PIBOs to upload import/procurement invoices, on the portal with an intent to auto-generate future EPR targets.

- a. Concern: Industry is deeply concerned by CPCBs untimely & disproportionate ask from PIBOs to upload import/procurement invoices on the PWM EPR portal as a mechanism to validate plastic procurement and auto-generate future EPR targets. The said hinders ease of doing business in addition to raising several issues for PIBOs, as detailed below:
- b. The said ask is not only logistically unfeasible and ineffective, but is in complete variance of the current process of issuing guidelines and SOPs by CPCB which does not help meet the desired outcome. Entities registered as Brand Owners and Importers under the PWM Rules, purchase finished goods from third party independent manufacturers and suppliers, and are not involved in procurement of plastic packaging. Thus, procurement/import invoices by Importers and/or Brand Owners do not carry any material information with respect to procurement of plastic packaging, which will aid CPCB in validating existing and auto-generating future EPR targets.
- c. On the contrary, import/procurement invoices carry business sensitive information including but not limited to classified financial & supplier information which is not desirable to be submitted or made available on a public unsecure portal, which is primarily intended to govern EPR compliance. The industry has not come across a single precedent in any other law, including taxation laws which mandates submission of organisational invoices upfront as a compliance measure. Even income tax act which deals with levy & collection of corporate tax does not mandate submission of all invoices and rather depends on self-declaration and sample audit from a certified auditor at the time of returns filing. Such requirement is not a precedent even in environment regulations of other kinds such as e-waste, hazardous waste, battery waste, air, water regulations in India or any other market

globally. Industry has demonstrated compliance in adherence to environmental laws under the self-declaration principle and finds this particular ask from CPCB a deviation from this accepted approach which will pose significant threat to business both in terms of and making sensitive trade information publicly available on the CPCB portal where such information can be misused by interested third parties/competitors. Additionally, the volumes of import/procurement invoices run into a hundred thousand or more, in a given year for most organisations. Having all invoices uploaded onto a public online portal is practically and logistically impossible.

- d. The process of updating module 1A has not followed a meaningful consultative approach which was committed by CPCB, but has been a rather unilateral approach to publish the modules and impose a requirement that has not been appropriately discussed. Adoption of a consultative approach would have aided CPCB to collect necessary feedback from the industry and reflect on how this requirement is misplaced in law, as well as, in practice. This a significant policy overreach and stands as a huge EoDB challenge for the industry. CPCB has not provided any reasoning as to what is wrong with the current practice necessitating submission of invoices. A consultation will help industry to understand the reasons and provide appropriate suggestions. This ex-ante regulatory approach is not in the best interest of the industry and is at variance with industry has always been assured of i.e. consultative rule making. The above requirement was just communicated during a portal training session held on date 24th Nov 2022.
- e. Feed-in of transaction/procurement as Single invoice entry, huge No. of transactions are required to be uploaded in the portal related to the procurement of plastic packaging in the particular year by the Importer or Brand Owner. System should have the capability to fetch compiled information from excel sheet and multiple attachments in the form of Zip files.
- f. Transaction details between Importer and Brand Owner are not available for cases where both types of entities are the same (for example- Brand Owner ABC Ltd. Selling products with packaging in the market is also Importing products as ABC Ltd.). There should not be any requirement to upload transactions between Importer and BO where both entities are operating with the same name.

## Recommendation:

Industry requests MoEF&CC, MeITY & DPIIT to step in and take cognisance of this unreasonable ask which the industry cannot accommodate and/or comply with & extend their support to retract the ask for invoices by CPCB. Industry also strongly urges CPCB to continue to uphold the existing principle of self-declaration under for EPR compliance which already have built in mechanisms including penalties for potential violations or inability of organisations to meet their declared targets. Brand Owners and Importers of finished goods will be unable to share invoices that carry sensitive business information (unrelated to PWM EPR or any other existing environmental laws, regulations and rules) on an unsecure public portal.

In this regard, we request you for an urgent meeting to discuss the issue on a day & time convenient to you.

Look forward to your continuous support.

Warm regards.

Col. AA Jafri, Retd. Director General

CC: Shri Naresh Pal Gangwar, IAS, Additional Secretary, MoEF&CC

CC: Ms. Manmeet Nanda, IAS, Jt. Secretary DPIIT

CC: Shri Amitesh Kumar Sinha, IRAS, Jt. Secretary, MeitY CC: Ms. Divya Sinha, Addl. Director & I/c, UPC-II, CPCB