National Policy Workshop Webinar Series

On

Countermeasures for Riverine and Marine Plastic Litter in India

12 - 22 May 2020

Session 3: Activities and Best practices to counter plastics litter by sustainable waste management and circularity

Plastic Credit Units, Its benefits, Exchange Ecosystem to be used for sustainability

Dynamic pricing mechanism for fulfilling compliance

Social and Financial impact on the industry and consumer / people Behavior of PCU’s

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## Key Gaps and Needs Identified

<table>
<thead>
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<th>Gap</th>
<th>Rationale</th>
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<tr>
<td>- Non Segregation of Plastic at Source</td>
<td>- Plastic has to be segregated from other waste <em>to recycle</em></td>
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<td>- Lack of People Accountability</td>
<td>- Segregated Plastic has to be <em>brought to recycler</em></td>
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<tr>
<th>Need identified</th>
<th>Who expressed the Need?</th>
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<td>Cost of Segregation is high and has to be <em>incentivised</em></td>
<td>Research Shows that <em>Economic Viable design is scaleable and Sustainable</em> rather than Charity / Social Work</td>
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What is PCU’s

- Plastic Credit Unit is Mechanism to Convert Compliance in to Cost

- By having Plastic Credit Units Compliance can be traded based on demand & Supply

- Demand & Supply can lead to Dynamic Pricing, Hence if recyclers will not sell credit’s below cost neither will they incur losses

- Regulation’s of Government to take Plastic Back from the eco-system and recycle will enable Demand for Compliance

- PCU’s is not trade in plastic but in Compliance
Process for Issuance of PCU’s

- CPCB: Receives the RPD and sends it to DOE for validation.
- SPCB: Receives the validation report and issues letter of approval.
- Designated Operational Entity (CII/FICCI): Validates the document and prepares validation report.
- SPCB: Sends the letter of approval and RPD document to CPCB.
- CPCB: Undertakes monitoring with preparation of monitoring report.
- CPCB: Issues PCUs.
- Receives PCUs.
Dynamic Pricing & its Impact – Benefits of Trade system

- **Reference Pricing and deep Markets** for Segregation & Collecting plastic Back will
  - Enable More Recyclers as they will have Visibility of their Business Models.
  - If the Cost of Such Collector’s / Recyclers increases then the same can be passed on to Producers by having
  - Pricing to be based on Open trade by demand & Supply leading to competitiveness & Market
  - Larger Impact will involve
    - Increase in plastic cost as cost of compliance effectively get added to price of product
    - Recycling will increase (Development of much needed industry)
    - Consumers and Producers will become more alert & sensitive to not litter plastic
  - Move from Being only Socially responsible to Auto Sustainable Design
## Feedback from stakeholder meetings

<table>
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<th>Which stakeholders?</th>
<th>What was their response?</th>
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| Corporates, Producers, Individual Customers, Regulators | • Found the Idea Novel & Implementable  
• Regulator's found it Globally acceptable  
• Customers gets medium to become plastic neutral |

### IRONY OF ENVIRONMENTAL DEPLETORS AND CLEANERS (Social welfare organizations)

- **Depletors** include Environment hazard creators
- **Plastic Manufacturers, Plastic Users, Fuel Users**
- **Plastic Recyclers, Planters**
- **Cleaners** include those who do away with these hazards
Key Findings

- There are lesser Plastic Recyclers and existing recyclers are also struggling with their business models.
- Collection of plastic post consumption from waste, Rivers, Ocean’s and Landfill’s is not a lucrative business.
- 2 thing’s are not done at scale
  - Different types of Plastic Needs to be segregated at source from other waste
  - More incentives to segregator’s of plastic & getting it to recyclers
- Cost of Compliance for taking back plastic is ignored.
- Stagnant pricing for complying with regulations to take back plastic is not working.
- There is very high awareness & Sensitivity locally & globally to avoid plastic & need to become plastic neutral.
- Producers of plastic wants to focus on their Core & pay price for collection to outsource it but eco-system / platform missing
- Software, Mechanism & Platform for Dynamic Trade is required.
Suggestions, Recommendations and Discussion

- Policymakers to allow Creation and Trade of Plastic Credit Units
- CPCB, SPCB and Environment Ministry has to Enable this through Policy Making
- Policymakers to Enable / Allow Development of Platform for Effective Trade of Credit Units
- PPE Route suggested: Government can themselves develop or participate with allowing entities in enabling this platform for trade of credit units
- Plastic Neutral People: Individual plastic Consumption policy Foundation for Individual Level Accountability be created. Regulation followed with monitoring framework for consumption
- Government Investment in such entities, Framework’s and Software's is required.
- Tax & other incentives for Corporates, Recyclers and Individual complying
What Brings me on this platform

I see Sustainability & participation in Plastic recycling process as doing Social welfare thru Inclusion with Innovation from Within us

- Start with Plastic and then roll on to other sustainability & social welfare initiatives like addressing Air pollution, tyre pollution, public waste etc
- Implementation of sustainability related government policy initiatives
  - Providing platforms and Innovative ways in form of Trade Eco-system
- Frameworks & Research by helping fulfilling accountability for taking back plastic & Enhancing Sustainability
- Being a part of enabling circular economy
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Thank You