

MINISTRY OF ENVIRONMENT, FOREST AND CLIMATE CHANGE

NOTIFICATION

New Delhi, the 18th September, 2023

G.S.R. 677(E).—Whereas the draft notification containing the draft extended producer responsibility for Used Oil were published by the Government of India in the Ministry of Environment, Forest and Climate Change, *vide* notification number G.S.R. 338(E), dated the 2nd May, 2023 in the Gazette of India, Extraordinary Part II, Section 3, Sub-section (i) inviting objections and suggestions from all persons likely to be affected thereby, before the expiry of the period of sixty days from the date on which copies of the Gazette containing the said notification were made available to the public;

AND WHEREAS, the copies of the Gazette containing the said notification were made available to the public on the 2nd day of May, 2023;

AND WHEREAS, the objections and suggestions received from the public in respect of the said draft notification within the said period have been duly considered by the Central Government;

NOW, THEREFORE, in exercise of the powers conferred by sections 6, 8 and 25 of the Environment (Protection) Act, 1986 (29 of 1986) read with sub-rule (3) of rule 5 of the Environment (Protection) Rules, 1986, the Central Government hereby makes the following rules further to amend the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, namely: -

1. (1) These rules may be called the Hazardous and Other Wastes (Management and Transboundary Movement) Second Amendment Rules, 2023.
- (2) They shall come into force from the 1st day of April, 2024.
2. In the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (hereinafter referred to as the said rules), after Chapter VI, the following Chapter shall be inserted, namely: -

‘Chapter VII

Extended Producer Responsibility for Used Oil

25. Definitions. – For the purposes of this Chapter, -

- (a) **“base oil”** means any oil used for production of finished lubrication oil;
- (b) **“bulk generator”** includes any entity like automobile industry or railways or defence establishments or a transport company or industrial units or power transmission company or hotels or restaurants and other such entity which is generating more than 100 metric tonnes of used oil per annum;
- (c) **“business”** means any activity of production or manufacturing or sale of base oil or lubrication oil, import of base oil, recycling used oil;
- (d) **“collection point”** means the facility where the authorised collection agent would collect and store used oil as per the standard operating procedure or guidelines issued by the Central Pollution Control Board for the purposes of this Chapter;
- (e) **“collection agent”** means any person or entity who collects used oil and supplies it to the recycler;
- (f) **“energy recovery”** means any process of utilizing used oil as a fuel, which is not suitable for recycling in accordance with these rules;
- (g) **“environmentally sound management of used oil”** means taking all steps required to ensure that used oil is managed in a manner so as to protect health and environment against any adverse effects which may result during collection, transportation and recycling of used oil;
- (h) **“extended producer responsibility”** means responsibility of producer of base oil or lubrication oil or importer of used oil under this chapter for meeting recycling targets only through registered recyclers to ensure environmentally sound management of used oil;
- (i) **“guidelines”** means any document prepared and issued by the Central Pollution Control Board elaborating minimum requirements for achieving environmentally sound management of used oil including its handling, collection, transportation, storage and recycling;
- (j) **“portal”** means the online system developed by the Central Pollution Control Board for management and implementation of compliance of this Chapter;
- (k) **“producer”** means any person or entity, irrespective of the selling technique used such as dealer, retailer, e-

retailer, who, -

- (i) manufactures and offers to sell base oil or lubrication oil domestically under its own brand; or
- (ii) offers to sell lubrication oil domestically under its own brand, using the base oil manufactured by other manufacturers or suppliers; or
- (iii) offers to sell imported base oil or lubrication oil domestically;

- (l) **“recycling”** means any process of re-refining of used oil to produce base oil or lubrication oil or any process of energy recovery from used oil in an environmentally sound manner with facilities as elaborated in the standard operating procedure or guidelines issued by the Central Pollution Control Board for the purposes of this Chapter;
- (m) **“re-refining”** means any process of removing undesirable impurities from used oil and making base oil or lubrication oil as end product in accordance with the standard operating procedure or guidelines issued by the Central Pollution Control Board;
- (n) **“recycler”** means any person or entity engaged in the process of recycling of used oil;
- (o) **“recycling target”** means the quantity of used oil to be recycled as per the provisions of rule (2) of rule 27;
- (p) **“standard operating procedure”** means the document issued by the Central Pollution Control Board elaborating minimum requirement of equipment and processes;
- (q) **“used oil”** shall have the meaning assigned to it in clause (36) of rule 3 the said rules; and
- (r) **“used oil importers”** means any person or entity who imports used oil.

26. Registration. - (1) The following entities shall get them registered by the Central Pollution Control Board on the portal, namely:-

- (a) producers;
- (b) collection agents ;
- (c) recyclers;
- (d) used oil importers.

- (2) In case any entity falls in more than one categories under sub- rule (1), then the said entity shall register themselves under each of those categories separately.
- (3) No entity referred in sub-rule (1) shall carry out business without registration.
- (4) The entities registered under sub-rule (1) shall not deal with any entity not registered under sub- rule (1).
- (5) Where any registered entity furnishes false information or willfully conceals information for registration or return or report or information required to be provided or furnished under this Chapter or in case of any irregularity, the registration of such entity may be revoked by the Central Pollution Control Board for a period up to five-years after giving an opportunity to be heard and in addition, environmental compensation charges may also be levied as per rule 39.
- (6) The Central Pollution Control Board may charge registration fees and annual maintenance charges from the entities seeking registration under this Chapter based on volume of used oil generated, recycled, or handled by them.

27. Modalities of extended producer responsibility and its target. – (1) The extended producer responsibility covers the following modes for managing the used oil in order of priority, namely: -

- (i) producing re-refined base oil or lubrication oil; and
- (ii) energy recovery.

- (2) All producers and used oil importers shall fulfil their extended producer responsibility obligation specified in Table given below and in doing so they may take help of third party organisations, such as integrated used oil management systems, collection centres or dealers:

Provided that the extended producer responsibility shall lie entirely on the producer only.

TABLE**PART - A**

For producers of base oil or lubrication oil, the target prescribed in the following Table, -

Sl. No.	Year.	Used oil Recycling Target.
(1)	(2)	(3)
(i)	Extended Producer Responsibility obligation of the Year 2024-2025 (the year in which this Chapter comes into force)	5% of the base oil or lubrication oil sold or imported in the Year 2022-2023.
(ii)	Extended Producer Responsibility obligation of the Year 2025-2026.	10% of the base oil or lubrication oil sold or imported in the year 2023-2024.
(iii)	Extended Producer Responsibility obligation of the Year 2026-2027.	20% of the base oil or lubrication oil sold or imported in the year 2024-2025.
(iv)	Extended Producer Responsibility obligation of the Year 2027-2028.	20% of the base oil or lubrication oil sold or imported in the year 2025-2026.
(v)	Extended Producer Responsibility obligation of the Year 2028-2029.	40% of the base oil or lubrication oil sold or imported in the year 2026-2027.
(vi)	Extended Producer Responsibility obligation of the Year 2029-2030.	40% of the base oil or lubrication oil sold or imported in the year 2027-2028.
(vii)	Extended Producer Responsibility obligation for the year 2030-2031 (Y) onwards shall be 50% of the base oil or lubrication oil sold or imported in the year (Y-2)	
(viii)	For units established after 1 st April, 2024, the extended producer responsibility obligation will start after two years from the end of the financial year in which the unit was established and will be as per the target prescribed above.	

PART - B

For used oil importers,-

- (i) the extended producer responsibility obligation for used oil importers in year (Y) shall be 100 per cent of the used oil imported in year (Y-1); and
- (ii) the import of used oil is permitted for the purpose of re-refining only.
- (3) The extended producer responsibility target of the producers shall be reduced by a factor laid down by the Central Pollution Control Board on account of operational loss of base oil.
- (4) (i) The producers may fulfil their extended producer responsibility through online purchase of extended producer responsibility certificates from registered recyclers only;
 - (ii) the details provided by producers and registered recyclers shall be cross-checked through the portal;
 - (iii) in case of any difference, the lower figure shall be considered towards fulfillment of the extended producer responsibility obligation of the producer; and
 - (iv) the certificates shall be subject to audit by the Central Pollution Control Board or any other agencies authorised by them in this regard.

28. Extended producer responsibility certificate generation. – (1) The Central Pollution Control Board shall generate extended producer responsibility certificate through the portal in favour of a registered recycler, which shall be calculated as per the Table given here under –

TABLE

S. No.	End Product of recycling.	Weightage allocated to the end product (W _P).
(1)	(2)	(3)
1.	Producing re-refined base oil or lubrication oil	1.0
2.	Co-processing/ utilisation/ energy recovery for used oil not suitable for recycling, maximum permissible percentage to be prescribed by the Central Pollution Control Board.	0.25

(2) For the purpose of the Table referred to in sub-rule (1),-

- (i) the quantity eligible for generation of extended producer responsibility certificate shall be calculated as per the following formula, namely: -

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

**the Q_{EPR} is the quantity eligible for generation of the extended producer responsibility certificate, Q_P is the quantity of the end product and C_F is the conversion factor (quantity of inputs required for production of one unit of output) and W_P is the weightage for particular end product*

Example: If a recycler finally produces 100 Tonnes of re-refined oil, and conversion factor is 1.5 then, the eligible EPR certificate for that recycler in that year shall be as follows:

$$Q_{EPR} = 100 \times 1.5 \times 1 \text{ (weightage)} = 150.0 \text{ Tonnes};$$

- (ii) Conversion factor C_F for each end product shall be determined by the Central Pollution Control Board based on the technologies used by recyclers and quality of re-refined base oil produced;
- (iii) The weightage W_P shall be reviewed by the Central Pollution Control Board from time to time in view of the technological advancements, availability of material and other factors;
- (3) The validity of the extended producer responsibility certificate shall be two years from the end of the financial year in which it was generated and the expired certificate shall automatically extinguish after the period unless extinguished earlier as per these rules.
- (4) Each extended producer responsibility certificate shall have a unique number containing year of generation, code of end product, recycler code and a unique code and shall be in the denominations of 100, 200, 500, 1000 and 10,000 kilograms or as may be laid down by the Central Pollution Control Board with the approval of the Steering Committee constituted under rule 42.

29. Transaction of extended producer responsibility certificate. – (1) A producer may purchase extended producer responsibility certificates limited to its extended producer responsibility liability of current year (Year Y) plus any leftover liability of preceding years plus 10 per cent of the current year liability.

- (2) The extended producer responsibility obligation shall have to be fulfilled by the producers and used oil importers by proportionately purchasing extended producer responsibility certificates on a quarterly basis.
- (3) As soon as the producer and used oil importer purchases the extended producer responsibility certificate, it will be automatically adjusted against its liability, priority in adjustment shall be given to earlier liability and the extended producer responsibility certificate so adjusted shall be automatically extinguished and cancelled.
- (4) The availability, requirement and other details of the extended producer responsibility certificate for every producer or used oil importer or recycler shall be made available on the portal.
- (5) All the transactions under this Chapter shall be recorded and submitted by the producers or used oil importers or recyclers on the portal.
- (6) One or more trading platform for sale and purchase of extended producer responsibility certificates may be established through agency accredited by the Central Pollution Control Board in accordance with the guidelines issued by Central Pollution Control Board with the approval of the Central Government.

- 30. Portal for registration, filing of annual returns, Extended Producer Responsibility certificate and tracing of materials.** – (1) The Central Pollution Control Board shall establish an online system for the registration and as for filing of quarterly and annual returns, extended producer responsibility certificate and tracing of oil produced or generated by any entity or person, which shall ensure a mechanism wherein the material balance of the lubrication oil introduced in the market by any producer in a financial year is reflected.
- (2) The portal shall act as the single point data repository with respect to management and implementation of extended producer responsibility for used oil.
- (3) The online portal shall be functional by the Central Pollution Control Board within six months from the date of commencement of the Hazardous and Other Wastes (Management and Transboundary Movement) Second Amendment Rules, 2023 and all activities related to the implementation of the extended producer responsibility shall be done in online manner.
- (4) The manifest system for transport of used oil shall be applicable to those entities under this Chapter who are required to take authorisation under the said rules.
- 31. Responsibility of producers.** - The producers of base oil or lubrication oil shall be responsible for, -
- (a) registration on the portal;
- (b) fulfilling extended producer responsibility targets as per sub- rule (2) of rule 27;
- (c) provide the contact details such as address, email address, toll free telephone numbers or helpline numbers to consumers through their website or through advertisements or documentation so as to facilitate the process;
- (d) filing annual returns in the form provided on the portal on or before 30th June following the financial year to which that return relates;
- (e) creating awareness through media, publications, advertisements, posters, or by any other means of communication.
- 32. Responsibility of used oil importer.** - The used oil importers shall be responsible for, -
- (a) registration on the portal;
- (b) fulfilling extended producer responsibility targets as per sub- rule (2) of rule 27 through the portal;
- (c) filing annual returns in the form provided on the portal on or before 30th June following the financial year to which that return relates.
- 33. Responsibility of collection agent.** - All used oil collection agents shall have to, -
- (a) register on the portal;
- (b) collect used oil from the generators and supply to the registered recycler or producer in accordance with these rules and upload information on the portal;
- (c) filing quarterly returns in the laid down form on the portal on or before the end of the month succeeding the quarter to which the returns relate;
- (d) filing annual returns in the form provided on the portal on or before 30th June following the financial year to which that return relates.
- 34. Responsibilities of the recycler.** - All used oil recycler shall have to, -
- (a) register on the portal;
- (b) ensure that the facility and recycling processes are in accordance with these rules;
- (c) ensure that no damage is caused to the environment during storage, transportation and recycling of used oil;
- (d) ensure that the residue generated during the recycling process is disposed of in accordance the said rules;
- (e) filing quarterly returns in the prescribed form on the portal on or before the end of the month succeeding the quarter to which the returns relate;

- (f) filing annual returns in the prescribed form provided on the portal on or before 30th June following the financial year to which that return relates.

35. Responsibilities of the bulk generators. - Bulk generators shall,-

- (a) set up collection points to facilitate collection agents for collection and transportation of used oil from their premises; and
- (b) ensure that used oil generated by them be handed over only to the registered recyclers or producer or collection agents.

36. Responsibilities of the Central Pollution Control Board. - (1) The Central Pollution Control Board shall be responsible for-

- (a) operation and maintenance of the portal and monitoring of extended producer responsibility compliance;
- (b) coordination with the State Pollution Control Boards;
- (c) prepare and issue Guidelines and Standard Operating Procedures for registration on the portal, extended producer responsibility certificate generation, fulfillment of obligation, returns, and for collection, storage, transportation, recycling and disposal of used oil under this Chapter and also on any other issue for smooth implementation of these rules from time to time;
- (d) prepare and issue necessary forms or returns on portal for implementation of this Chapter;
- (e) conduct of random checks for ascertaining compliance of the extended producer responsibility and for that purpose the Board may take help of Customs or the State Government or any other agency;
- (f) documentation, compilation of data on used oil and uploading on the portal;
- (g) taking action against violation of this Chapter;
- (h) conducting training programmes to develop capacity building including the State Pollution Control Board and Urban Local Bodies officials of State Governments;
- (i) conducting awareness programmes;
- (j) integration of all stakeholders with the centralised digital system;
- (k) prepare and submit an annual report to the Central Government; and
- (l) any other function delegated by the Central Government under this Chapter from time to time.

37. Responsibilities of the State Governments or Union territories or Municipalities or local bodies or the State Pollution Control Board. - (1) The Department of Industry in the State and Union territory or any other Government agency authorised in this regard by the State Government or the Union territory Administration, as the case may be, shall –

- (a) ensure earmarking or allocation of industrial space or shed for collection of used oil and for re-refining units in the existing and upcoming industrial parks, estates and industrial clusters;
 - (b) ensure recognition and registration of workers involved in re-refining and recycling;
 - (c) undertake industrial skill development activities for the workers involved in re-cycling of used oil; and
 - (d) undertake annual monitoring and to ensure safety and health of workers involved in recycling of used oil.
- (1) Municipalities and Local Bodies shall facilitate producers and bulk generators or collection agents to set up large number of collection points for collection of used oils in their jurisdictional areas and the used oils so collected can be auctioned or sold to the authorised recyclers.
- (2) The State Pollution Control Boards or Pollution Control Committees of Union territories, shall, -
- (i) ensure proper implementation of this Chapter in coordination with the Central Pollution Control Board;

- (ii) facilitate setting up of collection points by the collection agents;
- (iii) monitor the compliance of extended producer responsibility as directed by the Central Pollution Control Board;
- (iv) conduct random inspection of producers or collection agents or recycler or used oil importers; and
- (v) perform any other function as directed by the Central Government under this Chapter.

38. Responsibilities of the Bureau of Indian Standards, - The Bureau of Indian Standards shall issue necessary standards for re-refined oil, which could be used as base oil for producers of lubrication oil within nine months from the date of commencement of the Hazardous and Other Wastes (Management and Transboundary Movement) Second Amendment Rules, 2023.

39. Environmental Compensation. - (1) The Central Pollution Control Board shall lay down guidelines for imposition and collection of environmental compensation on the producers in case of non-fulfilment of obligations set out in this Chapter and transaction or use of false extended producer responsibility certificates or on any entity on violation of any provisions of this Chapter and guidelines issued hereunder.

- (2) The environmental compensation shall also be levied on the recyclers for issue of false extended producer responsibility certificates and providing false information.
- (3) It shall also be levied on unregistered producers, recyclers and any entity, which aids or abets the violation of this Chapter.
- (4) (i) payment of environmental compensation shall not absolve the producer from the extended producer responsibility as specified in this Chapter and the unfulfilled extended producer responsibility for a particular year shall be carried forward to the next year and so on and up to three years;
 - (ii) in case, the shortfall of extended producer responsibility obligation is addressed after one year, eighty- five per cent. of the environmental compensation levied shall be returned to the producer; and
 - (iii) in case, the shortfall of extended producer responsibility obligation is addressed after two year, sixty per cent. of the environmental compensation levied shall be returned to the producer, and in case, the shortfall of extended producer responsibility obligation is addressed after three year, thirty per cent. of the environmental compensation levied shall be returned to the producer, thereafter no environmental compensation will be returned to the producer.
- (5) False information resulting in over generation of extended producer responsibility certificates by recycler above five per cent. of the actual recycled waste shall result in revocation of registration and imposition of environmental compensation which shall not be returnable and subsequent offence, violation of this Chapter for three times or more shall also result in permanent revocation of registration over and above the environmental compensation charges.
- (6) (i) the funds collected under environmental compensation shall be kept in a separate escrow account by the Central Pollution Control Board and the funds collected shall be utilised in collection and recycling or end of life disposal of uncollected and non-recycled or non-end of life disposal of used oil on which the environmental compensation is levied, and on other heads as decided by the committee; and
 - (ii) modalities and head for utilisation of the funds shall be decided by the Steering Committee with the approval of the Central Government.

40. Prosecution. - Any person, who provides incorrect information required under this Chapter for obtaining extended producer responsibility certificates, uses or causes to be used false or forged extended producer responsibility certificates in any manner, wilfully violates any provision of this Chapter or fails to cooperate in the verification and audit proceedings, shall be prosecuted under section 15 of the Act. This prosecution shall be in addition to the environmental compensation levied under rule 39 of this Chapter.

41. Verification and audit. - (1) The Central Pollution Control Board by itself or through a designated agency shall verify compliance of this Chapter by the producers, used oil importer, bulk generators, collection agents and recyclers through inspection and periodic audit, as deemed appropriate and take actions against violations under rule 39 of this Chapter .

(2) Any fee for the verification and audit shall be charged by the Central Pollution Control Board from the concerned registered entity.

42. Steering Committee. - (1) There shall be a Steering Committee headed by the Chairperson, Central Pollution Control Board to oversee the implementation of extended producer responsibility under this Chapter, which shall consists of following other members, namely:-

- (i) one representative of the Ministry of Environment, Forest and Climate Change;
- (ii) one representative of the Ministry of Petroleum and Natural Gas;
- (iii) a maximum of two representative of producers;
- (iv) a maximum of two representative of Automobile Manufacturer Associations.
- (v) a maximum of two representative of recycler associations;
- (vi) one representative of the State Pollution Control Board or Pollution Control Committee as co-opted by the Chairman of the Steering Committee;
- (vii) Member Secretary of the Central Pollution Control Board; and
- (viii) Head of the Division concern of the Central Pollution Control Board as Member Convener.

(2) The Steering Committee may co-opt any other member if it considers necessary.

(3) The Steering Committee shall be responsible for overall monitoring and supervision of implementation this Chapter.

(4) Shall also decide upon the disputes arisen from time to time on the representations received in this regard, and shall refer to the Central Government any substantial issue arisen or pertaining to this Chapter.

(5) The Steering Committee shall review and revise the targets, weightage and permissibility of modes of recycling in view of the technological advancements and other factors and make recommendations to the Central Government.

(6) The Steering Committee shall take all such measures, as it deems necessary for proper implementation of the provisions of this Chapter.

43. Application of other provisions of these rules. - The provisions relating to hazardous wastes under these rules shall also apply to utilisation and management of used oil under this Chapter.?

[F. No. 23/75/2021-HSMD]

NARESH PAL GANGWAR, Addl. Secy.

Note :The principal rules were published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), *vide* number G.S.R. 395(E), dated the 4th April, 2016 and subsequently amended *vide* number G.S.R. 670(E), dated the 6th July, 2016; number G.S.R. 177(E), dated the 28th February, 2017; number G.S.R. 544(E), dated the 11th June, 2018; number G.S.R. 178(E), dated the 1st March, 2019; number G.S.R. 641(E), dated the 9th October, 2020; number G.S.R. 47(E), dated the 27th January, 2021; number G.S.R. 798(E), dated the 12th November, 2021; number G.S.R. 593(E), dated the 21st July, 2022; number G.S.R. 900(E) dated the 23rd December, 2022 and number G.S.R. 500(E) dated the 12th July, 2023.