

Implementation of environmental compensation guidelines under Battery Waste Management Rules, 2022

Introduction: The Central Pollution Control Board ('CPCB') has introduced Environmental Compensation ('EC') Guidelines under the Battery Waste Management Rules, 2022, effective from 9 September 2024. These rules require the CPCB to develop guidelines for imposing environmental compensation on non-compliant entities.

Environmental compensation: It is a monetary charge levied on the producers/recyclers/refurbishers failing to comply with the Battery Waste Management Rules, 2022 ('Rules'). EC is calculated under two regimes, EC Regime 1 and EC Regime 2.

The EC guidelines apply to producers, recyclers, refurbishers and entities involved in the collection, segregation and treatment of waste batteries if they fail to comply with the Rules. The imposition of EC in the two regimes is as below:

- **EC Regime 1:** Here, EC is levied on producers for not meeting metal-specific Extended Producer Responsibility (EPR) targets. EC Regime 1 is further divided into the following two types of batteries:
 - **Lead acid batteries:** Here the EC is set at INR 18 per KG
 - **Other batteries:** the guidelines specify a schedule for reference for EC of each metal, the EC for 'iron' being the lowest (INR 120 per KG) and that for 'lithium' being the highest (INR 2,400 per KG)
- **EC Regime 2:** It is charged on an entity not complying with the Battery Waste Management Rules, 2022. The guidelines also extend to entities managing the collection, segregation, and treatment of waste batteries.

Weblink https://www.eprbatteryipc.in/upload/adminDoc/Notice_EC%20Guidelines.pdf

Therefore

The EC guidelines are intended to promote sustainable battery waste management practices, minimise environmental pollution, ensure accountability among stakeholders, and mitigate environmental harm. It is to be noted that payment of EC shall not absolve the producer of its EPR obligation set out under the Rules. Unfulfilled EPR will be carried forward to the subsequent three years. If the EPR targets are met in the subsequent three years, the EC so collected will be refunded as per these guidelines.