



Background Note

Workshop on

“Circular Economy: Eco Design and Eco Labelling- Role of Standards & Policy in India and the EU

Date: December 2, 2022, **Time:** 14:30 – 19:00 Hrs. (IST) / 10:00 – 14:30 Hrs. (CET)

Venue: Hybrid event. Physical event will be held at India Habitat Centre / &Virtual Platform

Circular Economy (CE) & Resource Efficiency (RE) is gaining traction among key actors including government, non-government, industry, civil society, and academia. While the environmental and resource use until last decade focussed mostly on waste management and its final disposal, now there is an increased focus on the value of sustainable management of materials along with the entire value chain rather than simply minimizing pollution at the end of life. The very concept of ‘waste’ requiring disposal is being challenged by the potential and actual benefits of moving from a linear to a more circular economic model, through strategies designed to reduce material use, eco-design, increase the durability and the longevity of products, and ensure re-use of materials via redistribution, reuse, remanufacture and recycling.

Both the EU and India, for the greater adoption of circular processes and secondary raw material use, demand the development of various cross-cutting technologies, tools, instruments, processes, and relevant measures. Policy & Standards based implementation along the product life cycle stages can exert high impacts on the resource-saving potential of products and promote circular economy and resource efficiency. Policy & Standards can also support market development and adoption of circular products, processes, materials, and models by instilling greater trust between the buyers and the sellers. The reliability, reassurance, and confidence in the use of products made with the secondary raw materials is to be enhanced and to achieve this eco-design, reuse, recovery, and recycling need to be considered.

The Ecodesign¹ Directive and Eco-labelling² are effective tools for improving the energy efficiency of products. Ecodesign provides for improving the environmental performance of products, such as households’ appliances, information and communication technologies or engineering. It sets the minimum mandatory requirements for the energy efficiency of these

¹ The integration of environmental aspects into the product development process, by balancing ecological and economic requirements. Eco-design considers environmental aspects at all stages of the product development process, striving for products which make the lowest possible environmental impact throughout the product life cycle.

² eco-labels are a means of measuring performance and communicating and marketing the environmental credentials of a given product. And for governments, crucially these tools encourage the behavioural change of producers and consumers towards long-term sustainability.



products. The Energy Labelling Regulation complements those Ecodesign requirements with mandatory labelling requirements.

The EU-India Joint Declaration on Resource Efficiency (RE) and Circular Economy (CE) - adopted in July 2020³, aims to support and strengthen dialogue and cooperation between the EU and India in enhancing resource efficiency and moving towards a more circular economic model that reduces primary resource consumption, strives towards non-toxic material cycles, enhances the use of secondary raw materials, and contributes to the implementation of the '2030 Agenda for Sustainable Development' and the Sustainable Developments Goals (SDGs). The implementation of this partnership can provide opportunities for creating an enabling ecosystem, synergies, and symbiosis for fostering cooperation and achieving desired objectives agreed through the India-EU Strategic Partnership: A Roadmap to 2025⁴ and India-EU Connectivity Partnership⁵.

Standards have the potential to provide harmonised circular economy terminology and assessment methods and define key circularity principles for products and services characteristics. This can help make products and services across the globe circular, sustainable and free from hazardous substances, leading to an absolute reduction in our material footprint. However, the level of ambition of these outputs depends on a balanced representation of interests in the groups that are drafting them. We believe there is a strong need to elevate the voice of environmental stakeholders in standards development committees.

The most prominent example of an international standard promoting resource efficiency is the EU Eco-Design Directive of 2009. As a framework directive, it allows for setting compulsory eco-design requirements for various product groups, enabling a gradual expansion of standards over time. The Directive mentions several aspects which have to be considered to improve the resource efficiency of products, including the “ease for reuse and recycling as expressed through: number of materials and components used, use of standard components, time necessary for disassembly, complexity of tools necessary for disassembly, use of component and material coding standards for the identification of components and materials suitable for reuse and recycling (including marking of plastic parts in accordance with ISO standards), use of easily recyclable materials, easy access to valuable and other recyclable components and materials; easy access to components and materials containing hazardous substances.”

In December 2019, European Commission unveiled its European Green Deal (EGD), an ambitious plan to transform the EU’s economy into a fair, sustainable, and prosperous one.

³ https://www.mea.gov.in/bilateral-documents.htm?dtl/32829/EUIndia_Joint_Declaration_on_Resource_Efficiency_and_Circular_Economy

⁴ https://www.mea.gov.in/bilateral-documents.htm?dtl/32828/IndiaEU_Strategic_Partnership_A_Roadmap_to_2025

⁵ https://www.mea.gov.in/bilateral-documents.htm?dtl/33854/IndiaEU_Connectivity_Partnership



EGD provides an action plan, to boost efficient use of resources by moving towards a clean, circular economy and to restore biodiversity and reduce pollution. It outlines investments needed and financing tools available and explains how to ensure an inclusive transition. The EGD covers all major sectors of the economy, notably transport, energy, agriculture, buildings, and industries such as steel, cement, ICT, textiles and chemicals.

European Commission also released its new Circular Economy Action Plan (CEAP) in support of EGD on 11 March 2020. It is one of the main building blocks of European Green Deal, and new agenda for sustainable growth including 35 actions along the entire life cycle of products to make sustainable products the norm in the EU, empower consumers and public buyers, focus on key product value chains including electronics and ICT, batteries and vehicles, packaging, plastics, textiles, construction and buildings, food, water and nutrients, ensure less waste generation, and make circularity work for people, regions and cities, lead global efforts on circular economy.

In March 2022, European Commission proposed Eco-design for Sustainable Products Regulation and Empowering Consumers for the Green Transition Directive, while a Directive on Sustainable consumption of goods – promoting repair and reuse is under preparation. Eco-design for Sustainable Products Regulation builds on the existing Eco-design Directive (that covers only energy-related products). It establishes a framework for setting up eco-design requirements for specific product groups to significantly improve their circularity, energy performance and other environmental sustainability aspects. The Circular cities and regions initiative (CCRI) was also launched by EU as part of CEAP with the aim to support Europe's green transition by promoting circularity at local and regional level such as through innovation and upscaling and sharing replicable best practices to help cities and regions find concrete circular systemic solutions that suit their needs.

In India, NITI Aayog along with EU Delegation to India had prepared a Strategy paper on Resource Efficiency in November, 2017 which includes an action plan for promoting resource efficiency in India. Following up on this strategy paper, in January 2019, a status paper titled Resource Efficiency & Circular Economy – Current status and Way forward was also prepared with four focus areas namely steel, aluminium, e-waste and construction and demolition waste.

In July 2019, the MoEFCC, GOI⁶ had released the Draft National Resource Efficiency Policy, which seeks to create a facilitative and regulatory environment to mainstream resource efficiency across all sectors by fostering cross-sectoral collaborations, development of policy instruments, action plans and efficient implementation and monitoring frameworks. It also

⁶ <https://moef.gov.in/en/>



highlights the importance of awareness generation and enhancing competences and facilitate the uptake of RE&CE concepts amongst Indian stakeholders.

In May 2021, MeitY formulated a policy paper on Circular Economy in Electronics and Electrical Sector to deal with e-waste. This policy paper focuses on the life cycle of electronics including stages of raw material acquisition, design, manufacturing/production stage, consumption to end of life (e-waste) management, and secondary raw materials utilization.

The constitution of 11 Circular Economy Committees by NITI Aayog⁷ in March 2021 underlined that circular economy offers a new paradigm that emphasizes the need to take a comprehensive view of products and processes and is aimed at eliminating waste and the continual use of resources. The 11 committees aim to adopt circular economy measures including fiscal incentives, stricter regulations, extended producer responsibility (EPR) framework, deposit refund options, and standards to strengthen compliances without affecting ease of doing business.

Implementation of standards that are developed or adopted by the standard setting organizations can either be through voluntary implementation, where industries take a lead in adopting standards, or through government regulation. There is a need to think of various innovations, strategies, and policies in laying down acceptable standards for the industries. These standards and benchmarks harmonized with global standards need to be communicated to all segments of the economy, importantly to consumers who by using such products help promote secondary material reuse.

European Union's Resource Efficiency Initiative (EU-REI) along with the Seconded European Standards Experts in India (SESEI), European Standards Organizations CEN-CENELEC in partnership Bureau of Indian Standards (BIS) are working together to ensure exchange of best practices, sharing of knowledge, and harmonization and cooperation to realize resource efficiency and circular transition in India and the EU through easy adoption of related standards.

A well curated online workshop on Role of Standards & Policy in Resource Efficiency and Circular Economy Transition in India and the EU was organized in January 2022. The experts from the EU and India shared their views and best practices to ensure effective transition towards resource efficiency and circular economy practices.

Moving forward this proposed workshop on Eco Labelling and Eco Design will create a dialogue and discussion between between EU and Indian stakeholders towards synergies in the approach for ECO Design and Labelling standards and policies both in EU and India.

The panel discussion and presentation in the sessions will focus on the following key points:

⁷ <https://www.pib.gov.in/PressReleaselframePage.aspx?PRID=1705772>



- Understanding the perspectives and shared vision of the policy makers to ensure faster transition to circular economy through Eco Design & Eco Labelling.
- Perspectives, learnings and experience from India and EU on policy and directives for fostering resource efficiency and circular economy with special reference to eco-design use of secondary raw materials in products and eco-labelling.
- The manner in which strategic cooperation and policy support can mainstream adoption of international standards.
- Status of standardization in the field of ECO Design & Eco-Labelling and engagement of key stakeholders in standards formulation process, both for EU and India.
- Learning from EU and identification of areas to work together and synergies.

About Organizers:

European Union's Resource Efficiency Initiative (EU-REI)

EU's Resource Efficiency Initiative India (EU-REI) (2017-2023) aims to work together with India on the implementation of the United Nations global Sustainable Consumption and Production (SCP) agenda by way of adapting international standards and best practices in business on resource efficiency and fostering the efficient and sustainable use of natural resources. It is implemented by an international consortium led by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, The Energy and Resources Institute (TERI), Confederation of Indian Industries (CII) and adelphi.

SESEI

Project SESEI (www.sesei.eu) is a standard focused project established by the three European standardization bodies namely CEN, CENELEC and ETSI along with EFTA (European Free Trade Association) and European Commission – DG GROW.

The Energy and Resources Institute (TERI)

The Energy and Resources Institute (TERI) is an independent, multi-dimensional research organization with capabilities in policy research, technology development, and implementation. Headquartered in New Delhi, TERI has regional centres and campuses in Gurugram, Bengaluru, Guwahati, Mumbai, Panaji, and Nainital, supported by a multi-





disciplinary team of scientists, sociologists, economists, engineers, administrative professionals, and state-of-the-art infrastructure.

Environmental Coalition on Standards (ECOS)

ECOS is an international NGO with a network of members and experts advocating for environmentally friendly technical standards, policies and laws. We ensure the environmental voice is heard when they are developed and drive change by providing expertise to policymakers and industry players, leading to the implementation of strong environmental principles.

CEN-CENELEC

CEN (European Committee for Standardization) and CENELEC (European Committee for Electrotechnical Standardization) are recognized by the European Union (EU) and the European Free Trade Association (EFTA) as European Standardization Organisations responsible for developing standards at European level, as per European Regulation 1025/2021. The members are the National Standards Bodies (CEN) and National Electrotechnical Committees (CENELEC) from 34 European Countries. European Standards (ENs) and other standardization deliverables are adopted by CEN and CENELEC, are accepted and recognised in all these countries. These standards contribute to enhancing safety, improving quality, facilitating cross border trade, and strengthening of the European Single Market. They are developed through a process of collaboration among experts nominated by business and Industry, research institutions, consumer and environmental organisations, trade unions, and other societal stakeholders. CEN and CENELEC work to promote the international alignment of standards in the framework of technical cooperation agreement with ISO (International Organisation for Standardisation) and IEC (International Electrotechnical Commission).

